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Review of the technical cooperation activities of UNCTAD and their financing

Report by the Secretary-General of UNCTAD

Annex I: Review of activities undertaken in 2013*

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Abbreviations

ACP	African, Caribbean and Pacific (Group of States)
AFRICOMP	Competition Programme for Africa
ASEAN	Association of Southeast Asian Nations
ASYCUDA	Automated System for Customs Data
CBD	Convention on Biological Diversity
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COMESA	Common Market for Eastern and Southern Africa
COMPAL	Competition and Consumer Protection for Latin America
DMFAS	Debt Management and Financial Analysis System
DTIS	Diagnostic trade integration study
EAC	East African Community
EIF	Enhanced integrated framework
Empretec	Entrepreneurship Development Programme
[EPA	Economic partnership agreement]
ESCAP	Economic and Social Commission for Asia and the Pacific
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign direct investment
GATS	General Agreement on Trade in Services
GDP	Gross domestic product
GIZ	German Agency for International Cooperation
GSP	Generalized System of Preferences
GSTP	Global System of Trade Preferences among Developing Countries
HIPCs	Heavily indebted poor countries
ICT	Information and communications technology
IDB	Islamic Development Bank
IIA	International investment agreement
[ILO	International Labour Organization]
IMF	International Monetary Fund
IPR	Investment policy review
ITC	International Trade Centre
LDC	Least developed country
LLDC	Landlocked developing country
MDG	Millennium Development Goal
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development
OIC	Organization of the Islamic Conference
OPT	Occupied Palestinian Territory
SADC	Southern African Development Community
[SIDS	Small island developing State]
SME	Small and medium-sized enterprise
STI	Science, technology and innovation
STIP	Science, technology and innovation policy
TNC	Transnational corporation
TRAINS	Trade Analysis and Information System
TrainForTrade	Training Development in the Field of Foreign Trade
TRIPS	Trade-Related Aspects of Intellectual Property Rights
UNCTAD	United Nations Conference on Trade and Development
UNCITRAL	United Nations Commission on International Trade Law
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme

WHO	World Health Organization
WIPO	World Intellectual Property Organization
WITS	World Integrated Trade Solution
WTO	World Trade Organization

Country/territory/region codes

AFG	Afghanistan	**DJI**	Djibouti
ALB	Albania	**DMI**	Dominica
ALG	Algeria	**DOM**	Dominican Republic
ANG	Angola	**DRC**	Democratic Republic of the Congo
ANL	Anguilla	**DRK**	Democratic People's Republic of Korea
ANT	Antigua and Barbuda	**ECU**	Ecuador
ARG	Argentina	**EGY**	Egypt
ARM	Armenia	**ELS**	El Salvador
ARU	Aruba	**EQG**	Equatorial Guinea
AZE	Azerbaijan	**ERI**	Eritrea
BAH	Bahrain	**EST**	Estonia
BAL	Baltic States (regional)	**ETH**	Ethiopia
BAR	Barbados	**FIJ**	Fiji
BDI	Burundi	**GAB**	Gabon
BEN	Benin	**GAM**	Gambia
BER	Bermuda	**GBS**	Guinea-Bissau
BGD	Bangladesh	**GEO**	Georgia
BHA	Bahamas	**GHA**	Ghana
BHU	Bhutan	**GIB**	Gibraltar
BIH	Bosnia and Herzegovina	**GRN**	Grenada
BKF	Burkina Faso	**GUA**	Guatemala
BOL	Bolivia (Plurinational State of)	**GUI**	Guinea
BOT	Botswana	**GUY**	Guyana
BRA	Brazil	**HAI**	Haiti
BRU	Brunei Darussalam	**HON**	Honduras
BUL	Bulgaria	**HUN**	Hungary
BVI	British Virgin Islands	**IND**	India
BYE	Belarus	**INS**	Indonesia
BZE	Belize	**IRA**	Iran (Islamic Republic of)
CAF	Central African Republic	**IRQ**	Iraq
CAM	Central America (regional)	**IVC**	Côte d'Ivoire
CAR	Caribbean (regional)	**JAM**	Jamaica
CAY	Cayman Islands	**JOR**	Jordan
CHD	Chad	**KAZ**	Kazakhstan
CHI	Chile	**KEN**	Kenya
CIS	Commonwealth of Independent States	**KIR**	Kiribati
		KUW	Kuwait
CKI	Cook Islands	**KYR**	Kyrgyzstan
CMB	Cambodia	**LAO**	Lao People's Democratic Republic
CMR	Cameroon	**LAT**	Latvia
COI	Comoros	**LEB**	Lebanon
COL	Colombia	**LIB**	Libya
COS	Costa Rica	**LIR**	Liberia
CPR	China (People's Republic of)	**LIT**	Lithuania
CRO	Croatia	**LSO**	Lesotho
CUB	Cuba	**MAG**	Madagascar
CVI	Cabo Verde	**MAL**	Malaysia
CYP	Cyprus	**MAR**	Mauritius
CZE	Czech Republic	**MAT**	Malta

MAU	Mauritania
MCD	The former Yugoslav Republic of Macedonia
MDV	Maldives
MEX	Mexico
MLI	Mali
MLW	Malawi
MOL	Republic of Moldova
MON	Mongolia
MOR	Morocco
MOT	Montserrat
MOZ	Mozambique
MYA	Myanmar
NAM	Namibia
NAN	Netherlands Antilles
NEP	Nepal
NCA	New Caledonia
NER	Niger
NIC	Nicaragua
NIR	Nigeria
NIU	Niue
OMA	Oman
PAK	Pakistan
PAL	Palestinian Authority
PAN	Panama
PAR	Paraguay
PER	Peru
PHI	Philippines
PNG	Papua New Guinea
POL	Poland
PRC	Congo
PUE	Puerto Rico
QAT	Qatar
RAF	Africa (regional)
RAS	Asia and the Pacific (regional)
RER	Europe (regional)
RLA	Latin America and the Caribbean (regional)
ROK	Republic of Korea
ROM	Romania
RUS	Russian Federation
RWA	Rwanda
SAF	South Africa
SAM	Samoa
SAU	Saudi Arabia
SEN	Senegal
SEY	Seychelles
SIL	Sierra Leone
SIN	Singapore
SLO	Slovakia
SOI	Solomon Islands
SOM	Somalia
SPM	Saint Pierre and Miquelon
SRL	Sri Lanka
STH	Saint Helena
STK	Saint Kitts and Nevis
STL	Saint Lucia
STV	Saint Vincent and the Grenadines
STP	Sao Tome and Principe
SUD	Sudan
SUR	Suriname
SVN	Slovenia
SYR	Syrian Arab Republic
SWA	Swaziland
TAI	Taiwan Province of China
TAJ	Tajikistan
TCI	Turks and Caicos Islands
THA	Thailand
TIM	Timor-Leste
TOG	Togo
TOK	Tokelau
TON	Tonga
TRI	Trinidad and Tobago
TUK	Turkmenistan
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
UAE	United Arab Emirates
UGA	Uganda
UKR	Ukraine
URT	United Republic of Tanzania
URU	Uruguay
UZB	Uzbekistan
VAN	Vanuatu
VEN	Venezuela (Bolivarian Republic of)
VIE	Viet Nam
YEM	Yemen
YUG	Yugoslavia
ZAM	Zambia
ZIM	Zimbabwe

Introduction

1. This annex provides a description of the main technical cooperation projects and other projects undertaken by the United Nations Conference on Trade and Development (UNCTAD) in 2013 It is presented in accordance with the structure of the thematic clusters around which these projects are grouped. A table showing the individual projects implemented by each cluster follows the relevant section. The technical assistance and capacity-building activities draw on research conducted by UNCTAD and on policy suggestions arising from its intergovernmental machinery. The technical cooperation projects and other projects, including through synergies created within and among the clusters, also contribute to the implementation of the Aid for Trade initiative.

Lead division: Division on International Trade in Goods and Services, and Commodities

2. *General introduction:* UNCTAD has consistently advanced policy measures at the national and international level to combat poverty and contribute to higher standards of living in developing countries, build economic resilience to external shocks, enhance competitiveness, pursue a more inclusive and sustainable growth path, and a more balanced and beneficial integration into the global economy and the international trading system. Through its demand-driven technical cooperation and capacity-building activities, UNCTAD assisted developing countries, especially least developed countries (LDCs), and countries with economies in transition, to build and further develop human, regulatory and institutional capacities and to develop relevant policies and strategies suited to local conditions. UNCTAD furthermore contributed to meeting local and internationally agreed development goals. Building productive capacities and fostering structural transformation, eradicating poverty and creating employment opportunities are top priorities.

3. In 2013, technical cooperation and capacity-building activities carried out by the Division on International Trade in Goods and Services (DITC), and Commodities were delivered to an important extent in cooperation with other divisions of UNCTAD, with other United Nations entities and with a wide range of partners and cooperating institutions, including in the "Delivering as one" framework ("One United Nations"). The activities benefited from the research and analysis work of UNCTAD and deliberations and knowledge sharing in its intergovernmental bodies.

4. Most of the Division's technical cooperation and capacity-building activities were funded from extrabudgetary sources. The Division was encouraged by the renewal and extension of commitments from most bilateral donors, which, through their continuing commitments, have become important development partners.

5. Technical activities undertaken in 2013 reflected the Doha mandates on sustainable growth and inclusive development stemming from the thirteenth quadrennial conference of UNCTAD held in Doha in 2012.

6. Ensuring policy coherence, managing cross-sectoral development issues and mitigating the impact of the crisis were consistently accorded importance in the work undertaken.

7. Focus in the next period of activities will continue to be on creating a growth-enabling economic environment that generates jobs, enhances entrepreneurship, builds and expands productive capacity, strengthens cooperation and promotes partnerships for trade. Adequate consideration will be given to growing and increasing capacity to manage issues

arising at the intersection of trade, the environment and climate change, as well as emerging challenges.

8. Competition law and policy and consumer welfare, effective use of trade intelligence, analysis of trade information and data are equally important items on the capacity-building agenda.

9. Special attention will continue to be given to LDCs and small and vulnerable economies, while keeping in mind the specific challenges facing small island developing States, in particular, the greater risk of marginalization emanating from their small size, remoteness from large markets and high economic vulnerability to economic and natural shocks beyond domestic control. Cross-sectoral work in the areas of agriculture and regional trade agreements will be accorded priority.

10. All technical cooperation activities will remain demand driven, while implementation will be conditional upon availability of resources.

11. The Division's priorities in 2014 and in the period ahead also include: access to data and information on non-tariff measures and voluntary standards, within as well as outside the United Nations system; providing platforms for the sharing of experiences and of best practices in trade and services policy and negotiations, and trade and sustainable development, especially in the context of the green economy; assistance with the creation of conducive legal and regulatory frameworks for integration into global value chains; improving the understanding and capacities of countries' acceding to the World Trade Organization (WTO) of the rules and disciplines associated with membership; exploring strategies for strengthening national and regional capacities, and assessing the challenges and opportunities for joining regional and other trade arrangements for the liberalization of trade in goods and services; promoting voluntary standards, especially with respect to organic agricultural produce and the potential for developing countries capitalizing thereon; and furthering trade and gender balance.

12. Pioneering activities of UNCTAD in shaping a development-friendly green economy that provides trade and investment benefits will continue to be put at the service of countries wishing to adapt to current environmental and climatological challenges, consistent with national development objectives and available international support measures.

13. Competition and competiveness at the national and regional levels, with an emphasis on specific sectors of the economy, will remain priorities.

I. Cluster I: Capacity-building on trade negotiations and commercial diplomacy

14. The programmes under this cluster contributed substantially to strengthening the capacities of developing countries[1] and advancing beneficial integration into the global economy and the international trading system. The work contributes to the design and implementation of trade policies and the effective and coherent participation in bilateral, regional, including South–South, and multilateral trade negotiations, including on goods, agriculture and services. Further, the work allowed beneficiary countries to better benefit from preferential market access. The programme also contributed to "Delivering as one"

[1] Particularly LDCs and African countries, as well as small and vulnerable economies, and countries with economies in transition.

activities included in UNDAFs, the CEB Trade and Productive Cluster on trade and enhanced integrated framework (EIF) for LDCs and participated in interdivisional programmes such as the delivery of Paragraph 166 courses and Virtual Institute courses. The work under this cluster was delivered in cooperation with other units of the UNCTAD secretariat, other United Nations bodies, intergovernmental and non-governmental agencies, and other development partners.

Table 1
Capacity-building on trade negotiations and commercial diplomacy

Project number	*Short title*	*Period covered*	*Source of fund*
IRQ/0T/CAH	Trade policy and trade negotiations capabilities of the Government of Iraq strengthened within the frame of TBT/WTO	2013–	UNIDO
RAB/0T/CAK	Aid for Trade Initiative for the Arab States (AFT) Result 2 UNCTAD-led activities	2013–	UNDP
RAS/9X/78R	Assistance to countries of the Asian region on most-favoured nation and preferential tariffs negotiations	1997–	Japan
INT/9X/77I	Technical cooperation on market access, trade laws and preferences	1997–	Multi-donor
INT/0T/0AG	Building capacity through training in the settlement of disputes in international trade, investment and intellectual property	2001–	Multi-donor
INT/0T/2CT	Training in LDCs and developing countries on trade policies formulation	2003–	Norway
INT/0T/9AU	General Trust Fund on WTO Accession	2009–	Multi-donor
INT/0T/9BG	General Trust Fund on Services, Development and Trade	2009–	Multi-donor
INT/0T/BBN[a]	United Nations Forum on Sustainability Standards	2012–2013	Sweden
ROA-2243(P7)	Addressing the impact and implications of the global financial and economic crisis on developing countries through support to services sector development	2011–	Development Account
ROA-2904 (K8)	Capacity-building for the formulation and implementation of MDG-oriented trade policies in developing countries contributing to accelerating achievement of MDGs in the context of multiple and interrelated development challenges	2013–	Development Account
ROA-2905 (L8)	Addressing the impact of trade and trade agreements on employment in developing countries (UNCTAD)	2013–	Development Account

[a] Operationally but not financially completed or fully completed in 2013.

A. Enhanced trade negotiations and trade policy formulation capacities for meeting the Millennium Development Goals

1. Support to developing countries on trade policy and trade negotiations

Development context. International trade is essential for inclusive growth through inter alia the creation of more and better jobs. In addition, it contributes to a more diversified economy and sustained development and promotes higher living standards in all countries. A key element of the global development agenda beyond 2015, international trade is a powerful catalyst for achieving socioeconomic objectives, feeding into other sustainable development objectives beyond 2015. The trade-development nexus is not automatic and requires strong institutional and policy support at the national level, as well as coherence in global policymaking at the international level, particularly to ensure inclusiveness and sustainability of the development path. Strengthening the multilateral trading system in an environment of proliferating regional trade agreements and reinvigorating its development dimension in the light of the new economic realities is critical to creating an enabling environment for future global growth. New soft rule-making approaches should be taken into consideration when addressing the question of how to reach consensus both on the "old" trade agenda (for example, tariff peaks, escalation and agricultural subsidies) and the "new" one (for instance, competition policy and investment).

15. Transformational shifts in the global economy in the twenty-first century have presented both challenges and opportunities for trade towards these ends. These need to be addressed by conscious policy efforts, as the successful transmission from trade integration to broad-based inclusive development is not an automatic process. Trade policy alone cannot put in place the conditions necessary for this to happen but needs to be supported by a wide range of complementary policies within a coherent and integrated strategic development framework. It should aim to enhance the link between trade, productive investment and employment creation by promoting diversification into higher value added activities. Together with well-functioning markets, the role of the State is pivotal in identifying and implementing policy mixes that are best fitted to national circumstances and conditions. Coherence should also be reinforced between multilateral and regional agreements, so that these arrangements in their totality can be turned into an effective enabling environment for development, and marginalization of the weaker and less developed economies does not take place. For global economic governance to be attained, the WTO dispute settlement mechanism must be accompanied by a proper legislative functioning of the system that is able to make rules in existing and new areas.

16. **Objective.** UNCTAD support has aimed at helping developing countries – particularly LDCs – to better understand and appreciate the development dimension of international and regional negotiations, including their implications for meeting the Millennium Development Goals. The objective is to help them establish their own negotiating priorities and their capacity for negotiating and implementing bilateral, regional and multilateral trade agreements in order to maximize the chance that the outcomes fully reflect their critical development concerns and interests. This objective is pursued through support aimed at enhancing both analytical capacities and expertise on trade-negotiating issues in developing countries, facilitating better understanding and assessments of different elements of the negotiating issues in light of their development objectives, building human and regulatory capacities on trade-related policy and negotiations, and promoting multi-stakeholder consultations at regional and national levels. Technical support addressed key areas of the negotiations, such as agriculture, non-agricultural market access negotiations, services, rules, trade facilitation and the development dimension such as Aid for Trade.

17. **Outputs.** The outputs from this assistance are set out below.

(a) The international trading system, World Trade Organization Doha negotiations and regional trade agreements

18. UNCTAD assisted Geneva- and capital-based trade negotiators and policymakers from developing countries in their preparations for participation in the multilateral trade negotiations. Capacity-building support was extended to trade negotiators and policymakers in individual developing countries, contributing to greater preparedness and enhanced technical capacities with regard to technical issues on agriculture, non-agricultural market access negotiations, services and other topics of trade policy and negotiations. Substantive support was provided to ministerial, high-level and technical preparatory processes of regional groupings such as LDCs and the African Group, and individual countries, as well as various substantive events. UNCTAD also contributed to a number of technical seminars and events organized by developing countries and groupings, as well as cooperating organizations, with regard to the development dimension of the international trading system, including mainstreaming trade into national development strategies. Analytical and advisory support was extended to trade negotiators and policymakers in individual developing countries, contributing to their greater preparedness and technical capacities with regard to technical issues on agriculture, non-agricultural market access negotiations, services and other topics of trade policy and negotiations, including in the preparatory processes leading to the ninth WTO Ministerial Conference, 3–6 December 2013, Bali, Indonesia. These include the following

(a) Regional meeting for Africa on multilateral trade negotiations, including services negotiations (12–14 October 2013, Addis Ababa, Ethiopia);

(b) Islamic Development Bank Ministerial Consultative Meeting of OIC Member countries (2 December 2013, Bali, Indonesia);

(c) Ministerial meeting of landlocked developing countries (5 December, 2013, Bali);

(d) Ministerial event – "EIF Post-2015: A partnership road map for concrete results delivery" (4 December, 2013, Bali);

(e) Inter-Parliamentary Union and European Parliament event on the ministerial conference (5 December, 2013, Bali);

(f) Commonwealth–UNCTAD event: "Reflection on global trade from Doha to Bali and beyond" (3 December, 2013).

19. African countries are engaged in several international trade negotiations – subregional, regional and multilateral – with a view to expanding trading opportunities for African countries' exports of agriculture, goods and services. At the same time, African countries have been reviewing and adapting trade policies and measures to take advantage of market access opportunities from trade agreements and foster greater economic resilience to external crises. UNCTAD analyses, technical assistance and advisory services have contributed to assisting African countries in addressing these trade policy and negotiation issues. Tailor-made support, training and advisory services have been provided to policymakers and negotiators in African developing countries.

20. UNCTAD provided technical assistance and capacity-building support on services assessment and negotiations to the Secretariat of the Southern African Development Community (SADC), the SADC Trade Negotiation Forum and SADC policymakers and trade negotiators. The expertise of member country trade officials in services negotiations was strengthened through national training workshops and seminars, along with the preparation of national assessment studies in priority services sectors. UNCTAD organized or contributed to the following events

(a) Second national workshop for Uganda trade officials on services trade policy (2–3 May 2013, Kampala);

(b) Workshop on Trade in Services for Mauritius (6–18 October 2013, Port Louis);

(c) Regional meeting for Africa on multilateral trade negotiations, including services negotiations (12–14 October 2013, Addis Ababa).

21. UNCTAD contributed to the Aid for Trade Initiative. It participated in the work of the Aid for Trade Advisory Group of the Director General of WTO through which the Division contributed to the WTO Global Review of Aid for Trade. UNCTAD assisted developing countries, such as the African, Caribbean and Pacific (ACP) States with their participation in the global review.

22. Trade policy and trade negotiation capacities of countries were also built through activities organized by other divisions of UNCTAD, including the Paragraph 166 courses and the Virtual Institute. These included regional courses held in Asia and the Pacific (November 2013, Singapore), Latin America and the Caribbean (4–22 February 2013, Medellin, Colombia) and for Africa (15 July–2 August 2013, Mauritius).

(b) African, Caribbean and Pacific States–European Union negotiations on economic partnership agreements

23. The impact of economic partnership agreements between ACP States and European Union on African regional integration is a major concern for African countries. In helping African countries consolidate regional integration, UNCTAD also assists them in assessing and addressing the proposed economic partnership agreements. UNCTAD contributed to consultative events at the national and regional levels organized by the ACP Secretariat, the African Union and the Economic Commission for Africa, including the SADC Trade Negotiating Forum on Services (17–21 November, 2013, Johannesburg, South Africa; and the economic partnership agreements negotiations coordinating meeting (24–25 July 2013, Libreville).

(c) Trade policy formulation and implementation

24. In 2013 UNCTAD continued to assist the Government of Jamaica in the elaboration of its trade policy and its implementation. UNCTAD support has greatly contributed to the enhanced understanding of policymakers and trade negotiators in developing countries on national policies and strategies needed to achieve inclusive and sustained development, and developmental provisions and flexibilities that are particularly important in creating an enabling environment in the international trading system. The work is advancing with funding from the United Nations Development Account, and initial analytical work has been conducted, including for Angola and Kenya. DITC also cooperates with the Division for Africa, Least Developed Countries and Special Programmes in supporting selected LDCs in assessing and formulating trade policy frameworks or strategies and trade mainstreaming. In this context, DITC contributed to Lesotho's national workshop on harnessing trade as an engine of structural transformation and poverty reduction, (11–12 December 2013, Maseru).

25. In 2013, UNCTAD intensified work in the area of trade and employment to better mainstream labour market considerations into national trade policy frameworks and promote inclusive development. Regular contacts and cooperation are maintained with the International Labour Organization, and a new partnership between the two organizations was initiated on trade, employment and development. The Division further participates in the International Collaborative Initiative on Trade and Employment involving several organizations to study how trade interacts with employment and to strengthen the interface.

2. Dispute settlement in international trade, investment and intellectual property and WTO dispute settlement

26. **Development context.** In the increasingly rules-based international trading system, beneficial participation in the global economy demands knowledge of the rules and their interpretation by designated regional and international judicial or quasi-judicial bodies.

27. **Objective.** The UNCTAD Project on Dispute Settlement in International Trade, Investment and Intellectual Property develops training materials and delivers capacity-building activities on the procedural and substantive rules and main issues in international dispute settlement by the principal dedicated institutions. The project covers international investment dispute settlement under the rules of the International Centre for Settlement of Investment Disputes (of the World Bank group); WTO's dispute settlement system as regards international trade in goods, services and intellectual property; dispute settlement in the field of intellectual property under the rules of the Arbitration and Mediation Centre of the World Intellectual Property Organization (WIPO) and on Internet domain name dispute resolution; the rules of the United Nation Commission on International Trade Law (UNCITRAL) on international commercial arbitration as a mode of international dispute settlement, as well as dispute settlement under selected regional arrangements, namely the Association of Southeast Asian Nations (ASEAN), MERCOSUR and the North American Free Trade Agreement. The project seeks to help developing countries avoid disputes where possible and to manage unavoidable disputes effectively, thereby allowing their participation in the international economy to be as effective as possible.

28. **Outputs.** UNCTAD provides training for government officials, lawyers and trade negotiators, academics, legal practitioners, lawyers representing trade associations, corporations and law firms, and business people from developing countries and from countries with economies in transition. The project provided substantive inputs to the fourth International Conference, "International Cooperation: Innovation as a Tool for Social and Economic Changes" (22–23 November 2013, CERN, Geneva, Switzerland). The interdisciplinary and multi-stakeholder event was co-organized by the International Investment Centre, Russian–Swiss Science Association and the Marketing Research Foundation, with the support of CERN and of the Ministry of Foreign Affairs of the Russian Federation. Some 30 participants from countries in transition, Europe and Africa participated in the event.

29. In the framework of the memorandum of understanding on capacity-building in international dispute settlement in the Asia-Pacific region, concluded in 2008 with the City University of Hong Kong (China), a special event was organized for a group of judges from China as part of a dedicated training programme of a newly created training programme in Hong Kong (China).

30. The focus of this programme was on dispute settlement under free trade agreements, with special attention on the Swiss–China Free Trade Agreement between the Swiss Confederation and the People's Republic of China concluded in 2013.

31. Results and impacts. The capacity-building and outreach activities contributed to greater awareness, appreciation and understanding of the continuously expanding field of international economic law and dispute settlement practice in developing countries, and more effective use of dispute settlement.

32. Also, the work furthered thinking on interdisciplinary and multi-stakeholder collaborative approaches to align scientific and human development beyond 2015, where new economic challenges were in conflict with old models of capitalism, and as such avoid disputes in the information techology area.

33. The sharing of experiences led to consideration of intensifying public–private sector cooperation to attain development objectives, with outputs to be defined.

B. Support for accession to the World Trade Organization

34. **Development context.** UNCTAD support on WTO accession is aimed at assisting acceding countries in integrating more fully into the world economy and the international trading system through WTO membership. The long-term objective is to enable newly acceded WTO members to benefit from and contribute to the multilateral trading system through expansion of trade, economic growth and development following WTO accession. Acceding to WTO poses both opportunities and challenges for developing countries. A number of acceding countries, particularly LDCs and small economies, face particular constraints such as the following:

(a) Limited understanding of the scope and complexity of obligations associated with WTO accession and related impact on development;

(b) Lack of experience and skills in trade-related negotiations;

(c) Limited analytical capacity for trade analysis and impact assessment studies;

(d) Limited availability of required data and information;

(e) Lack of resources to respond to information requests during the accession process;

(f) Limited skills in developing mechanisms to elaborate legislative action plans and implement legislation and undertake adjustments to benefit from WTO membership;

(g) Poor institutional coordination across government institutions and for holding multi-stakeholders consultations. In this light, promoting the accession of countries to WTO on terms consistent with their levels of development (otherwise known as on "balanced terms") and their ability to implement obligations associated with WTO membership and take advantage of new trading opportunities is the core objective of the technical assistance activities of UNCTAD on support for WTO accession.

35. **Objectives.** The objective of the programme is to build human, institutional and regulatory capacities in trade policy and negotiations in acceding countries. The programme also aims to build up the ability to meet the obligations associated with WTO membership and to exercise rights and obligations to promote their national development strategies. This programme is a major area of the UNCTAD technical assistance programme, through which 22 acceding countries out of the 30 currently negotiating or preparing their accession process, including all LDCs, are successfully being assisted. The support is geared towards direct, tailor-made and hands-on assistance to the negotiating teams from the acceding countries at all stages of the WTO accession processes – before, during and after WTO accession – including implementation of WTO accession commitments and policy, and institutional and regulatory reforms subsequent to the accession. Such hands-on assistance is attuned to the development realities on the ground and fully takes into account the WTO rules and obligations to which countries must adhere upon becoming a member of the Organization. The importance of trade policy reform in all trade-related areas is also a key message in this regard.

36. **Outputs.** UNCTAD short- and medium-term intervention, which highlights the importance of the development dimension of WTO accession, has included analytical support on trade negotiating issues, the preparation of impact studies, advisory services on technical issues and the preparation of documentation, market access offers in goods and services, national policy reform plans, training of trade negotiators and stakeholders, and

the holding of multi-stakeholder consultative meetings and awareness-raising workshops. A longer-term objective is to enable acceding countries to benefit from and contribute to the multilateral trading system. In 2013 support was provided, inter alia, through the provision of advisory services, training of government officials on WTO-related issues, preparation of impact studies, and reviewing of trade-related domestic legislation for WTO consistency. Hands-on assistance was provided on the preparation of the Memorandum on the Foreign Trade Regime and other accession-related documents, as well as the preparation of written responses to questions posed by members. Simulation exercises were also conducted to prepare negotiating teams for meetings of their working party and with their trading partners.

37. Advisory services, field missions and capacity-building activities conducted in the course of 2013 included the following:

(a) Advisory missions and workshops for Iraqi officials on WTO accession issues (11–13 March, 9–11 June, 29 September–2 October 2013, Erbil, Iraq);

(b) Advisory mission to Liberia on WTO accession issues (30 October–1 November, 2013, Monrovia);

(c) Training workshop on WTO accession issues for Iraqi officials (25 February–1 March 2013, Ankara);

(d) Workshop on commercial diplomacy and accession for Ethiopia (26–29 August 2013, Addis Ababa);

(e) Technical consultations with Azerbaijan key negotiators on WTO accession issues (10–13 June 2013, Geneva, Switzerland);

(f) Workshop on WTO accession issues for Comoros trade officials (6–10 May 2013, Moroni);

(g) Workshop on TBT issues and WTO accession for Seychelles trade officials (23–25 April 2013, Victoria, Seychelles). Advisory services was also provided to regional and interregional groups of countries including a seminar on accession to WTO and the Doha negotiations for Arab countries and countries in transition organized by the Islamic Development Bank (IDB) (2–4 July 2013, Istanbul, Turkey).

38. UNCTAD implements these activities with a wide network of collaborating partners, including the WTO secretariat, World Bank, Asian Development Bank, IDB, FAO, ESCAP, ITC, UNIDO and UNDP. An extensive network of cooperation is also established with national trade institutions and trade policymakers. Regular contacts are also maintained with donors.

39. **Results/impacts.** UNCTAD had pioneered in the provision of support on WTO accession and successfully provided support for the accession of a number of developing countries. The assistance provided includes training activities for accession negotiating teams and other stakeholders in Geneva and in the countries concerned, with simulation exercises to prepare them for meetings of their working party and with their trading partners; attachment of individual trade policymakers to UNCTAD; advisory missions on the substance and the process of accession; preparation for accession negotiations, including hands-on assistance in the preparation of required documentation such as the memorandum of foreign trade regime and in considering questions posed by WTO members; and organization of, and support to, national multi-stakeholder consultative meetings and awareness-raising events, including for the private sector, academia and parliamentarians. Assistance is also provided to acceding countries in adjusting their trade policy regimes to render them consistent with WTO agreements, while taking into account their development objectives and strategies. Often in this regard, sectoral studies are

undertaken to identify needed changes and propose necessary policy adjustments. The technical assistance provided by the UNCTAD secretariat has increased the awareness of the acceding country's negotiating team and stakeholders of the multifaceted issues in the accession process as a result of their better understanding of the WTO rules and disciplines, including the special and differential treatment and other developmental provisions. It has therefore enabled them to participate more effectively in the accession negotiations.

C. Services for development and trade

40. **Development context.** Positively integrating developing countries – especially LDCs and small economies – into the global services economy and increasing their participation in services production and trade is essential. Despite the significant potential of the services sector, many developing countries face challenges in reaping the benefits of services trade for development, owing to their weakness in supply capacities. Maximizing the positive contributions and pro-development outcomes of the services sector requires good regulation and institutions capable of promoting domestic supply capacity. The services sector not only facilitates trade from and to developing countries, but elaborates the fundamental regulatory and policy commitment to ensure effective contributions to development objectives, in particular for LDCs and landlocked States. For the latter, which depend in many cases on trade flows of traditional goods in their regions, to enable growth in a range of services trade together with domestic services reform is the inextricable current and emerging requirement that will propel their economies and job creation into more advanced stages of development. Developing countries and LDCs can harvest a number of opportunities based on their specific internal economic, policy, social, employment and development needs. While a number of developing countries within the same region may trade in the same or similar goods with some holding more of a comparative advantage than others, regulatory and financial investment infrastructure services, that form the bedrock to facilitate goods trade, and robust service synergies, can stimulate an new context for efficiencies, job creation and competitiveness.

41. **Objectives.** UNCTAD's support in the area of services is aimed at strengthening developing countries' capacities to make informed policy choices, at the national and regional levels in order to effectively harness the benefits of the services economy and services trade. They are geared towards allowing them to design and implement appropriate services and related policies and regulatory frameworks, negotiate and implement multilateral and regional trade agreements on services, establish institutional frameworks, create an enabling environment for entrepreneurship, and build competitive services supply capacities.

42. The support provided is designed to enhance expertise and human, regulatory and institutional capacities to elaborate and implement national services regulatory frameworks, services sectoral assessments and preparations for regional negotiations with a view to developing a regional framework on services trade; participation in WTO General Agreement on Trade in Services (GATS) negotiations; and responding to the challenges associated with parallel negotiations between the multilateral track and regional tracks. Synergies were created with ongoing analytical and intergovernmental work, especially through the Multi-year Expert Meeting on Services, Development and Trade: The Regulatory and Institutional Dimension.

43. **Outputs.** UNCTAD support included national services policy reviews (SPRs); group training (in Geneva and in capitals); advisory services on legal, economic and policy issues; support for stakeholder consultations; and support for services negotiations at the regional and multilateral levels. These activities are the outcome of evidence-based research and analysis on issues such as market trends and the economic and legal aspects of

the services economy and specific services sectors, regulatory and institutional frameworks and international trade negotiations.

44. In 2013, UNCTAD, through country- and sector-specific assessments and ground-level support, helped countries assess the contribution of services sectors to development and reform sector policies and regulations, which included strengthening access to essential services. It also assisted them in generating important data and reference material for multilateral and regional trade negotiations.

45. UNCTAD provided demand-based assistance on services assessments – SPRs – including specific country- and sector-focused services assessments that examine policy and regulatory frameworks and potential impact of trade liberalization. Such assessments provide beneficiary countries with the data and information necessary for making informed policy choices about accelerating national services development and the liberalization and regulation of service sectors at the national, regional and international level. In 2013, reviews were completed for Uganda, Rwanda, Lesotho, Peru and Nicaragua, while work is ongoing for Paraguay and Bangladesh.

46. The SPR process encompasses multi-stakeholder consultative consultations on services policymaking to examine and discuss findings of the SPR. This serves as a basis for promoting inter-agency dialogue on policy, regulatory and institutional dialogue on services and in specific services sectors of interest. In 2013 DITC organized the following events:

(a) Second Stakeholders Workshop for Uganda officials on services trade policy (2–3 May, Kampala);

(b) First and second SPR Stakeholders Workshops on services trade policy issues for Nicaraguan officials (25–27 February and 26 and 27 June, Managua);

(c) Second SPR Stakeholders Workshop on Services for Peruvian officials (22–23 April, Lima, Peru).

47. The SPR findings of Uganda and Nicaragua were also used as a basis for the organization of two study tours of some government officials to other developing countries. The objective of these study tours was to enable officials to strengthen their country's capacity to formulate services policies and promote institutional cooperation between organizations in charge of services issues. In the case of Uganda (6 to 10 May 2013), the host country was South Africa and in the case of Nicaragua (30 September to 4 October 2013), it was Chile.

48. Advisory missions were conducted to assist countries with the elaboration of a national strategy for services negotiations at the multilateral and regional levels. Advisory services were provided to developing countries regarding debate on GATS negotiations in the area of temporary movement of natural persons supplying services (Mode 4), trade in labour-intensive services, skills development and recognition of qualifications, as well as on building services supply capacities, promoting services policy formulation at the sectoral level and in overall terms, defining strategies for services negotiations at the national, regional and multilateral levels and at the interface between regional services negotiations and GATS negotiations. UNCTAD contributed to the following workshops:

(a) Workshop on trade in services for Mauritius (16–18 October 2013, Port Louis);

(b) Workshop for Arab Maghreb countries on services negotiations (22–24 April 2013, Casablanca, Morocco);

(c) Workshop on services negotiations and trade in services (20–22 May 2013, Wuhan, China).

49. Throughout 2013 UNCTAD provided demand-based assistance on issues of common interest to groupings of countries such as the LDCs, the African Group, SADC, COMESA and the CARICOM, in defining national and regional strategies and polices to build services supply capacities and in preparing themselves for GATS and other trade negotiations. For example, UNCTAD provided substantive support to the SADC Financial Services Sector Forum on 1–2 July 2013 and to the nineteenth and twentieth meetings of the Trade Negotiating Forum on Services held on 3–5 July and 19–22 November 2013 in Johannesburg, South Africa. UNCTAD also contributed to the SADC Workshop on tourism and energy-related services held on 18–19 November 2013. Regional meetings were organized for Africa and Latin America and the Caribbean, respectively, to promote cross-fertilization of experiences and lessons learned to set up best-fit national regulatory frameworks. These included the Regional Meeting on Promoting Services Sector Development and Trade-led growth in Africa (12–13 September 2013, Addis Ababa) and the Regional Dialogue on Promoting Services Development and Trade in Latin America and the Caribbean (8–13 November 2013, Santiago). These events served as platforms for disseminating major research findings and lessons learned from the Division's comprehensive work on services, development and trade, particularly SPRs. Training provided under Paragraph 166 courses and the Virtual Institute also included services components.

50. Synergies were created with ongoing analytical and intergovernmental work, such as through the Multi-year Expert Meeting on Services, Development and Trade: The Regulatory and Institutional Dimension. These activities provided support to developing countries, especially those in Africa, LDCs and countries with special needs in accordance with the Accra Accord, as well as countries with economies in transition, in establishing regulatory and institutional frameworks and cooperative mechanisms to strengthen their domestic services capacity and its efficiency, competitiveness and export capacity.

51. In 2013 UNCTAD contributed to various migration and development events. It contributed to international policy deliberations, including under the Global Migration Group, the International Organization for Migration, the World Bank and WTO. The Division coordinates UNCTAD's participation in the Global Migration Group, and cooperates with international organizations and member States on migration issues. UNCTAD is also part of the working group of the Global Migration Group on mainstreaming migration into development. In connection with the Global Forum on Migration and Development, the Division collaborated with other United Nations agencies to improve the policy and operational responses of the United Nations system and the international community to international migration. Within the context of the United Nations General Assembly High-Level meeting on International Migration and Development, the Division contributed to trade and development aspects of migration, primarily at the interactive discussions during the session (3–4 November 2013, New York, United States of America). The deliberations have helped raise awareness on issues relating to migration, and improved the current understanding of measures needed for remittances and further aid for migrants.

52. **Results/impacts.** The work of UNCTAD on services, trade and development is aimed at building the human and institutional capacities of key national stakeholders – including civil society, entrepreneurs, policymakers and trade negotiators – to harness the opportunities arising from a stronger services sector and trade in services. This is important because for the integration of developing countries into the global services economy through increased services trade, they are required to design and implement appropriate policies and regulatory frameworks. Developing countries also need to negotiate and manage trade agreements that cover services, establish institutional structures, create an enabling environment for entrepreneurship and build competitive services supply capacities. Technical assistance and customized support, including specialized training, was

extended to policymakers and negotiators in developing countries and country groupings such as the LDCs, the African Group and CARICOM in defining national and regional strategies and polices to build services supply capacities and in preparing themselves for GATS and other trade negotiations. Advisory services were provided to developing countries on GATS negotiations in the area of temporary movement of natural persons supplying services (Mode 4), trade in labour-intensive services, skills development and recognition of qualifications. Other areas where advisory services were lent related to building services supply capacities, promoting services policy formulation at the sectoral level and in overall terms, and defining strategies for services negotiations at the national, regional and multilateral levels, and at the interface between regional services negotiations and GATS negotiations.

D. Capacity-building on market access, preferences, Generalized System of Preferences, Global System of Trade Preferences among Developing Countries and other trade laws

53. **Development context**. The Generalized System of Preferences (GSP), instituted in 1971 under the aegis of UNCTAD, has contributed over the years to creating an enabling trading environment for developing countries, particularly LDCs. Challenges arise for beneficiaries in fully exploiting the market access opportunities available under these schemes, including by developing supply capacities and effectively meeting the rules of origin requirements. Following the WTO Hong Kong Ministerial Decision in 2005 in which members agreed that developed countries and developing countries in a position to do so would grant duty-free and quota-free market access for exports of LDCs, improvements were made to various GSP schemes, and/or new schemes for LDCs were launched. The provision and utilization of trade preferences is a key goal of the MDGs and the Istanbul Programme of Actions adopted at the United Nations LDC IV in 2013.

54. The Global System of Trade Preferences among Developing Countries (GSTP) was established in 1988 as a framework for the exchange of trade preferences among developing countries. The third round of GSTP negotiations (the São Paulo Round), launched at UNCTAD XI in 2004, was successfully concluded in 2010. The GSTP participants were working towards expeditiously bringing into force the São Paulo Round results. Trade among developing countries has come to represent genuine economic opportunities. The value of South–South trade reached $3.5 trillion in 2010, which represented 55 per cent of developing countries' total exports. The 43 GSTP economies represented a market of $11 trillion in 2010 and from 2000–2010 was nearly twice the world average growth rate. Trade cooperation under the GSTP could therefore bring about significant commercial gains.

55. **Objectives.** The objective of UNCTAD support on GSP and other preferential arrangements is to help developing countries – particularly LDCs – to increase utilization of the GSP and other trade preferences and in turn promote productive capacity development and increased trade. Such support includes raising awareness and enhancing understanding among exporters and government officials in beneficiary countries of the trading opportunities available under the schemes; strengthening understanding of technical and administrative regulations and laws governing preferential market access, particularly rules of origin; and disseminating relevant information for users of GSP and other preferential schemes. Support is also provided to providers of preferences in improving their preferential schemes.

56. The objective of UNCTAD support to the GSTP is to strengthen South–South economic cooperation, trade and integration. It enables participants to make effective use of the trade agreement in building and increasing trade among themselves. UNCTAD also

provided substantive and administrative support to GSTP participants to conduct the third round of GSTP negotiations, the implementation of its results and further enhancement of the agreement.

57. **Outputs.** The outputs from this area of support are set out below:

1. Generalized System of Preferences and other trade preferences

58. UNCTAD continued to promote enhanced awareness among developing countries on ways to better utilize the preferences available under GSP and other preferential schemes through the regular provision of information on a dedicated website, administrative support on certificates of origin, collection of data, publication of handbooks and newsletters on the GSP schemes, and technical cooperation and capacity-building services. In cooperation with the Ministry of Finance and Tokyo Customs of Japan, UNCTAD organized a regional workshop on preferential rules of origin (7–14 June 2013, Tokyo) for government officials from six Asian countries that are responsible for the issuance and verification of certificates of origin. The aim of the workshop was to build and strengthen understanding of the trading opportunities available under GSP and other preferential trade regimes and rules and regulations required to benefit from such opportunities. UNCTAD ensured the dissemination of relevant information by updating and revising GSP handbooks of individual GSP schemes, such as those of Switzerland, the Republic of Korea, Canada and the European Union; preparing related studies and issuing GSP newsletters. It also continued the compilation and updating of the UNCTAD GSP database, based on the data submitted by GSP donor countries, which provide useful information on trade conducted under each preferential scheme.

2. Global System of Trade Preferences among Developing Countries

59. At the South–South level, UNCTAD provides its technical support to GSTP participants. Following the successful conclusion of the Sao Paulo Round of the GSTP negotiations in December 2010 that would lead to 20 per cent tariff cuts over 70 per cent of dutiable tariff lines, the Division continued to service the Agreement on the Global System of Trade Preferences among Developing Countries and supported GSTP participants in coordinating and backstopping their activities in various GSTP instances, including the thirtieth session of the Committee of Participants (7 May 2013, Geneva, Switzerland) that welcomed the ratification by Cuba of the final protocol embodying the results of the São Paulo Round of Negotiations. Further, the Division provided technical support to selected GSTP participants upon request.

60. **Results/impacts.** UNCTAD support on trade preferences has contributed to building the knowledge base among beneficiaries on GSP and other trade preferences and helped them to consider ways of more effectively utilizing the trade preferences. UNCTAD's dissemination of GSP-related information, including through the preparation of GSP handbooks and GSP newsletters, and the compilation of GSP trade data, has improved understanding and awareness of GSP among exporters and government officials in some beneficiary countries. UNCTAD contributed ideas towards making LDC preferences more effective towards better contributing to the Istanbul Programme of Action. UNCTAD support to participants in GSTP has ensured its smooth functioning of the Agreement, and effective follow-up of the São Paulo Round results towards its effective implementation by the signatories. Effective implementation of the São Paulo Round results is expected to further expand and deepen South–South trade and cooperation.

II. Cluster II: Trade analysis capacities and information systems

61. The programmes under this cluster (table 2) aims to strengthen analytical, statistical and information bases and tools for trade and trade-related decision-making in developing countries, LDCs and countries with economies in transition, at national, regional, South–South and international levels, and for enhanced understanding of interactions among trade, competitiveness and development.

Table 2
Trade analysis capacities and information systems

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/00J	TRAINS:[a] Development and dissemination of selected computerized trade data	1991–	Multi-donor
INT/0T/6BH	Adjusting to trade liberalization in selected developing countries: Unbinding supply capacity constraints	2006–	Norway
INT/0T/CAI	Capacity-building in trade and gender	2013–	Multi-donor

[a] Trade Analysis and Information System.

A. Strengthened analytical tools and databases, including on non-tariff measures

1. Trade information system and database

62. Development context and objectives. TRAINS is a database intended to increase transparency in international trading conditions. It specifically targets government officials and researchers by providing them with comprehensive, up-to-date information on market access conditions such as applied and preferential tariffs together with a corresponding software tool. One component of the system relates to the Generalized System of Preferences in that it includes information on tariffs and preferential margins affecting the export interests of developing countries vis-à-vis the preference-providing countries. For purposes of dissemination, a portal was been developed. This portal, the World Integrated Trade Solution (WITS), provides access to TRAINS and other trade databases. TRAINS is a web-based application, and has been developed and is maintained jointly with the World Bank. Free and unlimited access to TRAINS through WITS is provided to member governments and private users. The software also includes analytical tools allowing policymakers to assess the effects of trade policy changes such as tariff changes on trade and social indicators.

63. The focus on non-tariff measures, which are becoming relatively more important for determining market access conditions for developing countries, has become more intense in recent years. Reducing the current lack of transparency with regard to non-tariff measures would help developing countries in multilateral and regional trade negotiations, as it would make it possible to design appropriate measures to address non-tariff barriers.

64. Outputs, results and impact. The size of data elements of TRAINS accessible through WITS can be measured by comparing its size to that of a specialized library containing books on trade-related topics. The relative size would be 175 volumes of tariff schedules, 98 of which cover 2012 and 95, 2011; and 56 volumes of para-tariff measures,

such as customs surcharges, and non-tariff measures data for 37 countries (using the new methodology and new classification developed by UNCTAD).

65. The number of new requests for access to TRAINS by means of the WITS software continued to increase. About 7,700 of the approximately 31,000 licences issued to users of WITS were granted in 2013.

66. The widespread use of TRAINS, particularly in the publications of other international organizations such as WTO, the World Bank and the International Monetary Fund, attests to its usefulness. Internally, TRAINS served as a primary data source for various research papers aiming at measuring the potential impact of the ongoing multilateral, regional and bilateral trade negotiations.

67. Among the regional secretariats actively collaborating with UNCTAD are those of ALADI, ASEAN and the Permanent Secretariat of the General Treaty on Central American Economic Integration.

68. TRAINS also contributed data for the calculation of MDG indicators on market access, namely indicator 8.6 (proportion of total developed-country imports from developing countries and LDCs, admitted free of duty) and indicator 8.7 (average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries).

69. UNCTAD cooperates within the Transparency in Trade initiative with the African Development Bank, the International Trade Centre and the World Bank to collect non-tariff measure data. In 2013 data for about 25 developed and developing countries were collected. Data collection is linked to capacity-building programmes in developing countries and countries with economies in transition. Five two- to four-day courses were delivered and additional requests have been received.

2. South–South trade database

70. **Development context**. South–South trade rebounded strongly after the 2008 economic crisis, and became the motor of the international trade growth. It now provides a large window of opportunities for developing countries in cultivating new exports that involve wider economic sectors than before and for entering into global value chains. The United Nations Comtrade Database, which is the most comprehensive database on international trade, has gaps in bilateral trade flows between smaller developing countries. Information about bilateral trade flows is needed to inform policymakers about their development in terms of trade as well as for analytical purposes such as the integration of developing countries in regions and global value chains.

71. **Objectives**. The South–South trade database estimates all bilateral trade flows at a disaggregated product level (HS six-digit level) where official information is not available and closes the information gap.

72. **Outputs, results and impact**. The data have been used to produce several publications, such as Key Trends in International Merchandise Trade, and in several training workshops for developing countries, for example, the GRULAC workshop held in Geneva, Switzerland, in January 2013, and for Iraqi officials in June 2013).

3. Trade, gender and development

73. **Development context.** Trade policy affects economic growth, the structure of production and income distribution, both within and between countries. In the final analysis, the benefits that can derive from trade integration depend on a country's economic structure, how it is integrated into the global economy, the sequencing and pacing of

reforms, the policy space it enjoys, the composition of the export basket and existing productive capacities. Trade integration can be expected to affect different groups of the population very differently: for instance, workers in the export sectors might gain, while those in import-competing sectors may be adversely affected; firms in the informal sector might come under pressure from import goods, or informalization could increase as large firms outsource production; small-scale rural agricultural producers might be net losers, while large-scale commercial farmers might integrate successfully into global value chains. Each of these impacts also has an additional gender dimension, which needs to be addressed. Although the context of each country may be different, women clearly face identifiable common structural constraints across countries and regions:

(a) Segmentation in low value added and labour-intensive or subsistence-oriented work;

(b) Unequal access to productive resources such as land, credit and technology;

(c) Little access to training and skill building due to gender segmentation in education and labour markets, lack of resources (time and income) and social and cultural barriers;

(d) Heavy burden of care work and domestic responsibilities.

74. These constraints should be addressed, and economic policies, including trade policy, may be powerful tools that can be used to overcome them and narrow the gender gap. However, for this to happen, policymakers must be fully aware of the discrete impact that trade policy may have on different segments of the population.

75. **Objectives and features**. UNCTAD activities in this area are aimed at building the human and institutional capacities of key national stakeholders – policymakers and trade negotiators – to mainstream gender in trade policy. The ultimate objective is to make trade instrumental to the achievement of gender equality, women's economic empowerment and inclusive development.

76. To date, the work of UNCTAD in this area has been funded through the its regular budget, the United Nations Development Account and resources provided by donor countries. During the reporting period, financial support was provided by Finland and Norway.

77. The work of UNCTAD in this area includes:

(a) Analytical work;

(b) Capacity-building activities;

(c) Awareness raising among donors, decision-makers and other stakeholders on the need to mainstream gender in trade policy;

(d) Contribution to a United Nations-wide gender action plan and cooperation with other international organizations within and outside the United Nations family.

78. Outputs. The main achievements during the period under review are described below.

(a) Analytical work

79. During the reporting period, the study "Who is Benefiting from Trade Liberalization in Angola? A Gender Perspective" was published. The text was translated into Portuguese to facilitate dissemination of the findings with national stakeholders. The study seeks to explore the impacts of Angola's integration into the world economy, mainly as an oil

exporter, and in particular, to analyse whether there is a gender bias in the effects of trade. The study attempts to answer the following questions:

(a) What strategies could be put in place to address the potential exclusionary effects of Angola's trade liberalization?

(b) How can women take advantage of the positive spillovers from Angola's extractive economy and ultimately benefit from trade?

(c) What kind of sectoral policies can be promoted to generate new opportunities for women and have them benefit more from the booming economy?

(d) The first version of a new country case study in the series, Who is Benefiting from Trade Liberalization in Rwanda? A Gender Perspective, was finalized and discussed with national stakeholders during a fact-finding mission in Rwanda held in November 2013. Comments are being incorporated, and the study is expected to be completed and published during the second half of 2014.

80. The first draft of the study, Who is Benefiting from Trade Liberalization in Uruguay? A Gender Perspective, was also completed and sent out for peer review. It is expected to be published by the end of 2014.

81. Interdivisional cooperation on trade and gender was reinforced in 2013 as the trade, gender and development team, DITC, worked with the Virtual Institute, GDS, to develop a teaching package on trade and gender addressed to university lecturers from developing and transition countries. By integrating trade and gender issues into their teaching, they will help equip the next generation of policymakers and other relevant stakeholders with the knowledge necessary for mainstreaming gender in trade policy. Activities will also benefit United Nations staff at Headquarters and in the country offices. The training package consists of a set of multimedia presentations – that were prepared and recorded in 2013 – and two substantive volumes which deal with the trade and gender links. The first volume was finalized in 2013. A preliminary version of volume 2 was also completed.

(b) Capacity-building activities

83. A national capacity-building workshop was held in Luanda on 21 November 2013. The workshop provided the opportunity to present the main findings of the UNCTAD study on the gender implications of trade policy and trade liberalization in Angola, explore a number of policy options towards maximizing the social inclusiveness of trade policy in the country, present the methodology used in the study and discuss measurement frameworks and indicators for assessing the gender ramifications of trade policies.

84. Among the policy measures discussed were the advancement of women's capacities through better access to education and training, the upgrading of infrastructure and improvements in the availability of rural credit, especially to women. Angola is in the process of preparing its graduation from the LDC status. The workshop concluded that focusing on productive capacities, employment creation and women's empowerment would ensure that this process evolved smoothly.

85. UNCTAD participated in the Gender Academy organized by the ILO/International Training Centre, with the support of UN-Women, in Turin, Italy, in November 2013. A global international event on gender and employment, the Gender Academy gathered 170 international experts and practitioners on gender and development-related issues from 70 countries, with a view to offering an exclusive forum for discussion and a platform for sharing experiences. UNCTAD delivered a master class on gender inequality and its effects

on women in the labour market, and an elective workshop on how to assess the effect of trade on women's well-being and economic empowerment.

(c) Awareness raising among donors, policymakers and other stakeholders

86. UNCTAD was invited to facilitate the Working Group on Gender, Trade and Development on the occasion of the fifty-first Geneva Graduate Study Programme held from 1 to 12 July 2013. The Study Programme is organized yearly by the Information Service of the United Nations Office at Geneva (UNOG) and is aimed at young postgraduate students from all over the world. UNCTAD delivered a presentation on mainstreaming gender into macroeconomic policy, especially trade policy, and on its activities relating to trade and gender. It also prepared a case study which was used as a basis by participating students to draft a group report that was later published by UNOG.

(d) Contribution to a United Nations-wide gender action plan and cooperation with other international organizations

87. UNCTAD delivered a presentation during the joint biennial workshop of the OECD–DAC gender network (GENDERNET) and United Nations Inter-Agency Network on Women and Gender Equality (IANGWE) on women's economic empowerment titled "The Gender Dimension of Trade and Relevance for the Post-2015 Framework". Concrete proposals were advanced by UNCTAD on possible monitoring tools that could be considered for a specific goal on gender equality and for the broader post-2015 agenda.

88. UNCTAD contributed to the Knowledge Gateway for Women's Economic Empowerment, an online platform managed by UN-Women that brings together policymakers, academics entrepreneurs and civil society activists and facilitates knowledge mobilization, innovation and partnerships for women's economic empowerment. The Knowledge Gateway is an additional instrument to ensure that UNCTAD work and resources on women's economic empowerment reach and benefit a global audience.

89. **Results**. More than 100 participants attended the national workshop held in Luanda in November 2013. They were from the Ministry of Trade and the Ministry of Family and Women Promotion, the Ministry of Foreign Affairs and the Ministry of Agriculture, women's associations and business associations, international organizations based in Luanda, the donor community, academia and various media. The Minister of Trade, the Minister of Family and Women Promotion, and the Secretary of State for Trade also attended.

90. The policy recommendations included in the country case study of Angola and the outcomes of the national workshop are being used to draft the 2015–2019 programme for Angola under the United Nations Development Assistance Framework. In drafting the country case study, significant efforts were made by UNCTAD to identify suitable counterparts which would favour synergies and complementarities with key stakeholders within Angola. The national workshop provided a valuable opportunity for enhancing the dialogue between the Trade Ministry and the Ministry of Family and Women Promotion.

91. In the framework of the Gender Academy", participants were requested to evaluate the elective workshop delivered by UNCTAD (three presentations). The assessment, based on achievement of objectives, relevance of content, learning methods, group work relations, relevance of the subject to participants' work and overall quality was "good" or "very good". Participants were of the view that the elective workshop had met or exceeded their expectations.

92. The findings of the country case studies on trade and gender are the main basis for the related capacity-building activities conducted at the country level and more broadly. Moreover, those findings have also contributed to the post-2015 process with an UNCTAD presentation on the gender dimension of trade and relevance for the post-2015 framework that was delivered at the joint OECD/GENDERNET and IANGWE workshop (see above).

III. Cluster III: Trade, environment and development

93. The projects under this cluster (table 3) aim to strengthen the capacity of developing countries to formulate and implement mutually supportive trade, environment, climate change and sustainable development objectives, including in terms of the creative economy, and to integrate sustainable development objectives in development strategies at all levels (Doha Mandate, paras. 18(b), 31(f), 56(g) (ii), 56(s) and 65(g)).

Table 3
Trade, environment and development

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/8A8	Strengthening research and policymaking capacity on trade and environment in developing countries	1998–	United Kingdom of Great Britain and Northern Ireland
INT/0T/3BB	Consultative task force on environmental requirements and international trade	2003–	Netherlands
INT/0T/6AY	Implementing the BioFuels Initiative in LDCs and countries with vulnerable economies	2006–	Norway
INT/0T/6BP	Challenges and opportunities of implementing biodiversity-related multilateral environmental agreements	2006–	Switzerland
INT/0T/7BS	Climate Change Programme	2007–	Multiple donors
INT/0T/8AS	BioTrade facilitation programme, phase II	2008–	Switzerland
ROA-2292 (AS)	Strengthening the capacity of policymakers and business leaders in three BioTrade beneficiary countries in integrating REDD+ projects into BioTrade strategies	2013–	Development Account

A. Enhanced opportunities in biotrade

94. **Development context.** Biodiversity, the source of many products and services utilized by society, is being lost at accelerating rates, caused by the widespread overexploitation of biological resources, the introduction of alien species and the transformation of habitats. Biodiversity loss often destabilizes and reduces the productivity of ecosystems, weakening their ability to generate products and services and their capacity to deal with natural disasters and stress caused by humans, such as environmental pollution, degradation and climate change. The sustainable use of biodiversity is thus fundamental for long-term sustainable development. Developing countries, which are often endowed with

rich biodiversity, face the great challenge of combining poverty alleviation and economic growth with the sustainable use and conservation of biodiversity. Trade in products and services derived from biodiversity could be part of the solution to this problem.

95. Research shows that market interest and demand for biodiversity products and services is growing, giving countries that are rich in biodiversity a comparative advantage. However, developing countries often lack the capacity to turn this into a competitive advantage, meaning that the traded volumes of sustainably obtained biodiversity goods and services remain relatively low. The importance of trade as a positive incentive measure for biodiversity conservation is being increasingly recognized at the national and international levels, and efforts are under way to promote trade that takes into account the preservation of ecological and social issues. The UNCTAD BioTrade Initiative and the BioTrade Facilitation Programme support sustainable development through trade and investment in biological resources in line with the three objectives of the Convention on Biological Diversity (CBD).[2] These programmes respond to the limited capacity of developing countries to benefit from the international markets for products whose production processes enable sustainable use and conservation of biodiversity.

96. **Objectives and features.** The BioTrade Initiative seeks to promote trade and investment in biological resources in support of sustainable development. By establishing partnerships with national, regional and international programmes, it seeks to strengthen the capacity of developing countries to enhance the production of value added products and services derived from biodiversity, both for domestic and international markets. The Initiative, which supports sustainable development through trade and investment in biological resources, aims to give concrete expression to the concept of sustainable use of biodiversity and to reconcile biodiversity conservation with the development aspirations of local communities in biodiversity-rich areas in developing countries. It also seeks to facilitate sustainable trade in biodiversity products and services through innovative collaborative arrangements that enhance sustainable bio-resource management; it supports BioTrade product development, value added processing and market entry; it promotes product differentiation and improves access to trade and pre-export finance; and it articulates concerns related to biotrade in the policy environment that affects such trade.

97. **Output.** In 2013, UNCTAD, through its BioTrade Initiative and BioTrade Facilitation Programme Phase Two (supported by the Swiss State Secretariat for Economic Affairs), continued to assist developing countries in strengthening the institutional capacity of the national BioTrade programmes in developing policy frameworks in support of biotrade and to provide technical assistance and advisory services to BioTrade programmes and partners in Colombia, Ecuador, Mexico and Peru on issues such as the BioTrade concept and methodologies, value chain development and market access opportunities.

98. The UNCTAD BioTrade Initiative, in partnership with the UNDP Bureau for Crisis Prevention and Recovery and the UNDP Private Sector Division, continued to support the use of BioTrade as an approach to support reintegration and livelihoods in post-crisis settings. A videoconference was held with UNDP Burundi to present the UNCTAD BioTrade value chain methodology. This raised the interest of UNDP Burundi in the implementation of BioTrade and initiated consultations on the interest in preparing an initial assessment for the country's potential on BioTrade.

99. In Northern Mexico, UNCTAD supported the implementation of its methodology *Guidelines for the Sustainable Management of BioTrade Products: Resource Assessment*

[2] The Convention's objectives are the conservation of biological diversity; sustainable use of its components; and fair and equitable sharing of the benefits arising from the utilization of genetic resources.

for candelilla (*Euphorbia antisyphilitica*). Candelilla wax is used by the cosmetics industry for lipsticks. UNCTAD work in this area complements that of the Natural Resources Stewardship Circle's and its members such as Yves Rocher and Chanel, among others. The activities were implemented with the support of CONABIO; the draft final report was completed in December 2013.

100. In connection with the sixty-eighth session of the United Nations General Assembly, UNCTAD participated in a joint briefing given by UNEP, WIPO, UNESCO, UNCTAD and the CBD Secretariat to the Second Committee on the implementation of the objectives of the Convention on Biological Diversity. The briefing, held on 30 October 2013, provided a platform to present the BioTrade Initiative as a practical tool in implementing the objectives of the Convention by promoting trade and investment in biodiversity-based sectors and enhancing livelihoods of communities based on sustainable use of their biodiversity.

101. In supporting the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in fostering sustainable and regulated trade of CITES-listed species under Appendix II that are endangered, UNCTAD and the CITES secretariat closely cooperated in ensuring sustainable and regulated trade of CITES-listed species. In an innovative initiative, a joint scoping study was conducted to identify options for the development of a traceability system for the international supply chain of snake skins, focusing on pythons from Southeast Asia. It addressed issues such as sustainability concerns; traceability, tag and other technological options; compliance with standards and regulations; available institutional frameworks; the value of capacity-building and guidance and manuals; and the need for increased engagement from the private sector and conservation organizations. The study aimed at providing decision-makers with a comprehensive review of the options available for strengthening the regulatory framework for trade in snake skins. It would serve as a key input into the CITES process expected to culminate in 2016 at the seventeenth meeting of the Conference of the Parties to CITES, when the Parties will decide how and when to implement the most suitable traceability system(s) for international trade in python skins. The traceability of reptiles skins, within the context of a significant international snakes skin trade, has been an area of particular concern to the CITES Parties.

102. UNCTAD participated in the sixteenth meeting of the Conference of the Parties of CITES, held from 3–14 March 2013 in Bangkok. As a side event of the Conference, UNCTAD and the CITES secretariat jointly organized a round table entitled "Sustainable Trade: Exploring Reliable Traceability Systems for Managing International Trade in Python Skins" on 12 March 2013.

103. In support of strengthening the capacity of BioTrade partners, an e-learning course on BioTrade and Value Chain development, which was developed in 2012 in partnership with the UNCTAD TrainForTrade programme, was conducted from 25 March to 7 April 2013. 23 participants from Colombia, Ecuador, Mexico and Peru representing the ministries of foreign affairs and environment, trade promotion organizations, SMEs and non-governmental organization (NGOs) attended the course. A very positive feedback on the course was received from participants.

104. The BioTrade Initiative prepared the BioTrade impact assessment system (BTIAS) baseline report for 2010 (UNCTAD/DITC/TED/2013/3) and implemented the system aimed at measuring the contribution of BioTrade on sustainable development and the conservation/sustainable use of biodiversity in a harmonized and structured manner. It also continued to provide technical assistance to BioTrade partners in Africa, Europe and Latin America in using the BTIAS information system, as well as in gathering information on the impact of BioTrade in Africa and Latin America for 2011 and 2012. The BTIAS would allow countries to obtain valuable information in reporting their progress towards the CBD

and its 2011–2020 Strategic Plan as well as their national reporting activities, which relate to environmental, socioeconomic and governance issues.

105. In connection with the Development Account project on strengthening the capacity of policymakers and business leaders in three BioTrade beneficiary countries in integrating REDD+ projects into BioTrade strategies, UNCTAD conducted research and analysis on the linkages between biodiversity and climate change, in particular, REDD+ and BioTrade. This resulted in the development of a training manual for developing joint BioTrade and REDD+ activities and an e-learning course on developing joint BioTrade and REDD+ projects. In addition, national workshops were organized in Brazil, Colombia and Ecuador on the feasibility of linking the two initiatives (BioTrade and REDD+), and the challenges and opportunities involved in developing joint projects were explored.

106. Building upon the success of the first BioTrade Congress during the Rio+20 Summit in 2012, the second BioTrade Congress: Integrating REDD+ into BioTrade strategies was organized from 11 to 13 December 2013 in Geneva, Switzerland. The Congress focused on how climate change issues and mechanisms such as reduced emissions from deforestation and forest degradation, conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+) can be integrated with BioTrade. REDD+ offers financial incentives for developing countries to conserve and sustainably use their forest and biodiversity, while reducing emissions from forested lands and invest in low-carbon paths to sustainable development. In addition to the discussions on policy issues and strategies for REDD+ and BioTrade, the Congress provided a platform for sharing of experiences, cooperation and additional business opportunities, including on a South–South basis, that could be seized by governments, BioTrade partners and practitioners. Over 100 representatives from the public and private sectors and civil society from Africa, Asia, Europe, Oceania and South, Central and North America attended and shared their practical experience in BioTrade and/or REDD+.

107. To increase awareness and understanding of BioTrade issues by public and private stakeholders, UNCTAD prepared several reports and organized and/or participated in the following seminars, workshops, conferences and discussions on international development processes:

(a) CITES COP 16, 11 to 13 March 2013, Bangkok;

(b) UNCTAD–CITES round table, "Sustainable Trade: Exploring Reliable Traceability Systems for Managing International Trade in Python Skins, 12 March 2013, Bangkok;

(c) Conference: The Beauty of Sourcing with Respect, 19 April 2013, Paris;

(d) Briefing by the Swiss Management Authority to the private sector on trade in snake skins, 19 April 2013, Bern;

(e) Third ABS Business Dialogue on the Nagoya Protocol on ABS: Implementing the Green Economy, 4–5 September 2013, Copenhagen;

(f) Biodiversity and Ecosystem Services Day organized by the European Investment Bank, 24 September 2013, Luxembourg;

(g) Ninetheenth session of the African Forestry and Wildlife Commission, 30 September to 4 October 2013, Windhoek, South Africa;

(h) Briefing on BioTrade to the United Nations General Assembly Second Committee on implementation of the CBD, 30 October 2013, New York, United States;

(i) National capacity-building workshop on integrating REDD+ into BioTrade strategies, 6 November 2013, Bogota;

(j) National capacity-building workshop on integrating REDD+ into BioTrade strategies, 12 November 2013, Quito;

(k) National capacity-building workshop on integrating REDD+ into BioTrade strategies, 14 November 2013, Manaus, Brazil;

(l) Second BioTrade Congress: Integrating REDD+ into BioTrade Strategies, 11–13 December 2013, Geneva, Switzerland.

108. **Results.** Seventeen years after UNCTAD launched the BioTrade Initiative in 1996 with the aim of promoting trade and investment in biodiversity to further sustainable development, a number of countries, regions, national and international stakeholders and industries active in this area have made remarkable progress in embracing BioTrade concepts and principles as integral parts of their strategies. Furthermore, BioTrade is being recognized as a tool to address poverty alleviation and support sustainable livelihoods in developing countries.

109. The UNCTAD BioTrade Initiative seeks to promote trade and investment in biological resources to further sustainable development in line with CBD objectives. It has contributed to the identification of a group of producers, processors and retailers that are seriously engaged in and committed to sustainable use of biodiversity and the fair and equitable distribution of benefits. Today, BioTrade is becoming even more relevant as efforts toward biodiversity conservation and sustainable use are called on to significantly scale up to achieve broader and more ambitious global conservation goals and meet international targets. Additionally, BioTrade has a significant potential for contributing to the transition towards more sustainable economies, especially in developing countries. In this regard, BioTrade remains a key concept, process and activity, which increasingly calls the attention of countries, players in society and entrepreneurs to effectively integrate and create positive synergies between conservation, sustainability, equity and trade-related measures.

B. Enhanced opportunities in biofuels

110. **Development context.** Conventional fossil fuels, such as petroleum and its derivatives, coal, and natural gas, are the primary sources of energy worldwide. The increasing greenhouse gas emissions stemming from escalating dependence on fossil fuel combustion are the single most important source of greenhouse gas concentration in the atmosphere, causing human-induced climate change. Continued overdependence on fossil fuels has economic, social, climate and biodiversity impacts, especially to the most vulnerable developing countries.

111. The production of biofuels – clean-burning, carbon-neutral fuels derived mainly from agricultural crops – has a number of benefits: It can reduce dependency on fossil fuel imports and increase energy security; it promotes job creation, economic diversification and rural development; and it reduces greenhouse gas emissions, thus helping combat global warming. The new Kyoto policy environment is likely to significantly increase the demand for low- or no-carbon-emitting energy, including biofuels. Overall, the greatest potential for the production of biofuels can be found in developing countries; whereas developed countries – in meeting their Kyoto commitments – potentially provide the greatest markets. However, greater penetration of biofuels in energy markets requires enhanced policy coherence, including on food security, as it involves agriculture, energy, trade and climate policies. A well-targeted multi-sectoral approach is required if developing countries are to capture investment opportunities and development gains from the new emerging markets for biofuels. Increased production, domestic use and trade in biofuels may offer a real and

pragmatic alternative to both developing and developed countries to meet their commitment to combat climate change and to achieve the Millennium Development Goals.

112. **Objectives and features.** The UNCTAD BioFuels Initiative offers a facilitating hub for programmes already under way in a number of institutions. The Initiative, with its partners, adds value by providing interested countries with access to sound economic and trade policy analysis, capacity-building activities and consensus-building tools. It tailors national strategies, based on specific national circumstances and needs. It attempts to share lessons from success cases – and illustrate problems that are encountered by developed and developing countries alike in dealing with the technical, political and economic aspects of biofuels. The Initiative works closely with the private sector towards the ultimate goal of developing the business and sustainable development case for increased production, domestic use and trade in biofuels. More specifically, the BioFuels Initiative helps assess the potential that specific developing countries have to engage, in the growing worldwide production and use of, and trade in, biofuels. In doing so, it looks at the possible opportunities and impacts on domestic energy policies, food security, environmental management, job creation and rural development. It deals with trade flows, tariff regimes and market access and market entry issues affecting international trade in biofuels. It assesses emerging investment opportunities for developing countries, including the use of the clean development mechanism under the Kyoto Protocol. It provides policy guidance, ideas and examples on how to overcome barriers when engaging in this new market.

113. **Output and results.** The Biofuels Initiative continued to offer a facilitating hub for programmes or initiatives already under way in a number of institutions on renewable energy sources including biofuels. Together with its partners, it has provided developing countries with access to sound economic and trade policy analysis, capacity-building activities and consensus-building tools. It has maintained its partnerships with intergovernmental organizations, governments, applied research centres, NGOs, and relevant initiatives such as the International Bioenergy Platform of the Food and Agriculture Organization of the United Nations, the UN-ENERGY, the United Nations Framework Convention on Climate Change, the Group of Eight Global Bioenergy Partnership (GBEP), UNEP–Risoe, UNIDO, the EPFL/WEF Round Table for Sustainable Biofuels (RSB), the International Federation of Agricultural Producers, the Inter-American Development Bank, the Swedish Royal Institute of Technology, the Brazilian Military Engineering Institute and the University of Sao Paulo.

114. Through the Initiative, UNCTAD also continued its work on climate-friendly, cost-efficient and development-oriented green sectors, which are within reach of developing countries and LDCs by undertaking further analytical analysis on biofuels, which included issues related to the costs of biofuel sustainability certification as well as their impacts on developing country producers. An initial study, *The State of the Biofuels Market: Regulatory, Trade and Development Perspectives*, which was first published in 2006, was updated in 2013. The updated report covered the main developments since 2006 in the biofuels sector, examining production issues in key countries and regions, international trade, consumption trends, as well as evolving regulatory and political debates on this important issue. Bioethanol and biodiesel have become established commodities that are traded daily in all continents. Their market has increased based primarily on demand from the transport sector, especially road vehicles, which use biofuels either in pure form or as a blend in conventional fossil fuels (for example, diesel or gasoline). Another important development was the emergence of alternative markets for liquid biofuels, beyond their core usage in road transport. The policy focus of many countries also migrated from a limited scope of liquid biofuels towards broader notions of bioenergy (solid, liquid and gaseous energy products). In addition, concepts such as bio-economy now embody a systemic view, in which systems must consider the usage of biomass not only for energy, but also for food, feed and fibre as additional outputs. Since 2006 several developed and

developing countries have established and continue to pursue regulatory set-ups for biofuels, including blending targets, sustainability norms and research and deployment strategies for advanced biofuel technologies, which hold great promise for reducing social and environmental risks associated with their production and usage.

115. The BioFuels Initiative has served as a platform for the continued advocacy of UNCTAD for developing countries' interest in the sustainable production and use of biofuels. As a participant in various meetings and conferences, UNCTAD has stressed the importance of considering the context and technical capacities of developing countries whenever considering more stringent sustainability rules for biofuels. It also underlined the importance of having some degree of regulatory stability (for predictability of investments) and keeping the door open to developing country content in this market as a way to ensure its stability and fairness, both true components of sustainability. Biofuels are not to be pursued as an energy option alone, but as an overall driver that allows technologies and benefits to flow towards agriculture in general.

116. UNCTAD, the International Centre for Trade and Sustainable Development (ICTSD) and the Stockholm Environment Institute hosted the meeting "Trends in Global Biofuels Markets: Sustainability Policy and Trade" on 19 March 2013 in Geneva, Switzerland. All three partnering organizations have been engaged in studying and building consensus on the potential of improving bioenergy use as a tool to promote development, trade in equitable conditions and reduce carbon emissions. Discussions in the meeting centred on the latest issues of international biofuels trade, such as intra-industry trade, policy proposals to promote second generation fuels, developing country participation in the market and the latest analysis on the food versus fuel issue. Participants included discussants, representatives of member States, the private sector and civil society.

117. Building on an earlier initiative launched at an UNCTAD BioFuels side event at the Rio+20 conference to build an African network of bio-energy experts, a group of African researchers was mobilized to attend a training workshop held from 26 to 31 May 2013 in Stockholm. The workshop, jointly organized by UNCTAD and the Swedish Secretariat for Environmental Earth System Sciences, included the participation of institutions with activities in Africa, such as the Royal Institute of Technology (Sweden), the Bunda College of Agriculture (Malawi), Eduardo Mondlane University (Mozambique), the Zambian Biofuels Association and the Stockholm Environment Institute. During the week-long workshop, researchers from Malawi, Mozambique, the United Republic of Tanzania and Zambia participated in a number of site visits, exchanged lessons and engaged in discussions with policymaking institutions such as the Swedish Energy Agency, and private sector companies working in solid, liquid and gaseous bioenergy development.

118. As one of the implementing partners of the Nairobi Framework, established to improve the level of participation of developing countries – especially those in sub-Saharan Africa – in the clean development mechanism under the Kyoto Protocol, UNCTAD, through the BioFuels Initiative, supported the organization of the Africa Carbon Forum held from 3 to 5 July 2013 in Abidjan, Côte d'Ivoire. UNCTAD contributed to the Bioenergy session, which addressed the theme of bioenergy, covering its current and future linkages to global biofuels trade and human development in Africa. The creation of income opportunities and extension of access to modern energy services are among the fundamental pillars to enable human development in Africa. Promoting income and energy services without relying on fossil fuels has proven to be a challenge. In this context, a sustainability-oriented uptake of bioenergy can complement carbon markets and benefit many countries in Africa through low-carbon development.

119. In increasing the awareness and understanding of biofuels and renewable energy issues by public and private stakeholders, UNCTAD has organized and/or participated in

various seminars, workshops, conferences as well as relevant discussions of international development processes, such as the following:

(a) European Union–Brazil event on proposed changes to European Union Biofuels policy, 6 March 2013, Brussels, Belgium;

(b) World Biofuels Markets Congress 2013, 12 to 14 March 2013, Rotterdam, The Netherlands;

(c) Bio-energy workshop, 26 to 31 May 2013, Stockholm, Sweden;

(d) Africa Carbon Forum 2013, 3 to 5 July 2013, Abidjan, Côte d'Ivoire;

(e) International Association of Energy Economics meeting, 16 to 20 June, Diego, Republic of Korea;

(f) Workshop on low carbon innovation and governance organized by the University of Sao Paulo, 28 October to 1 November 2013, Sao Paulo, Brazil.

C. Trade and development opportunities in the climate change regime

120. **Development context.** Global concerns over the impact of climate change, particularly its adverse effect on developing countries, and the related significant economic costs associated with inaction, have put climate change high on the international agenda. The projected climate impacts will hurt developing countries most, because their economies are more reliant on climate-sensitive sectors such as agriculture. Developing countries are also more vulnerable because they have limited human, institutional and financial capacity to anticipate and respond or adapt to climate change and natural disasters. As developing countries are already economically vulnerable, their economies – and particularly those of LDCs – often rely on few exports and face negative terms of trade. To make their economies more resilient – both in general economic terms, and to the effects of adverse climate change – they will need to diversify. Economic diversification can be spurred by well-targeted foreign direct investment (FDI) into a variety of productive sectors including for exports.

121. The Kyoto Protocol provides important investment opportunities for developing countries through the clean development mechanism. Developing countries need to be ready to seize the opportunities for sustainable development offered by the clean development mechanism and ensure that these are captured domestically in a manner that lessens their economies' vulnerability, increases their energy securit, and augments their chances of integrating themselves into the globalized world economy on more equitable terms. Investment under the clean development mechanism – which may not necessarily follow traditional FDI flows – may provide an opportunity for investment that assists developing countries in diversifying their economies. Such investment flows may carry opportunities for technology transfer and the fostering of indigenous technologies. The current climate change negotiations are generating important emerging trade and investment opportunities for developing countries, particularly in the area of bioenergy. The UNCTAD Climate Change Programme has a significant role to play in the international climate change debate on the effects of and policy responses to – global climate change, as well as to the United Nations-wide response strategy. In particular, the programme focuses on addressing the economic aspects of climate change, and its trade and development implications.

122. **Objectives and features.** Based on the premise that future economies will be carbon constrained, the UNCTAD Climate Change Programme plays a significant role in preparing developing countries for the expected shifts in relative prices and relative production costs stemming from the introduction of climate policies and measures. It contributes to a

smoother transition to a regulated carbon economy. As there is a growing commitment to a more active climate change policy, both at the national and international levels, the Programme addresses the following issues: the trade competitiveness aspects of climate change policies; trade, development gains and investment opportunities that arise as climate change measures are adopted, creating new markets for more efficient, innovative and less carbon-intensive products and processes; investment promotion and development gains in developing countries, which may derive from the development of projects under the clean development mechanism; and compatibility issues between climate policy and trade rules.

123. **Output and results.** UNCTAD continued to assist countries in considering approaches to mitigating climate change while enhancing their development prospects. It provided assistance to the Government of Vanuatu in respect of renewable energy sources and green export sector strategies in support of trade-led development. A technical mission to Port Vila was undertaken from 22 to 26 July 2013 to discuss possible green sectors, especially agriculture, where further study could be undertaken to develop an export strategy, assess market access conditions in major markets and study links with tourism. Other issues explored were product sectors where a Bio Trade programme could be developed; the potential for a diversifying energy mix to enhance access to energy, especially renewable energy; and options for a possible Vanuatu–UNCTAD green growth development programme.

124. As a follow-up to the Doha Mandate and Rio+20 outcome, UNCTAD developed a new initiative centred on assisting interested developing countries in examining and developing green productive and export capacities as part of options for transition into greener and more resilient economies. UNCTAD aims to assist interested developing countries in developing national plans to further green economy development through an interactive, multi-stakeholder stocktaking exercise to examine what has, can and should be done across various policy domains such as industrial policy, privatization, regulation, institutions, trade policy and international cooperation. UNCTAD has mobilized financial support from the Development Account to implement this initiative starting in 2014 for some interested developing countries.

125. An ad hoc expert group meeting on the domestic requirements and support measures in green sectors was held in Geneva, Switzerland from 13 to 14 June 2013. The meeting discussed anecdotal, conceptual and quantitative evidence of the economic and environmental effectiveness of performance requirements and support measures in green sectors and their actual or potential implications for trade flows and policies. It offered a comprehensive tour d'horizon covering a common metric for defining the effectiveness of localization, a quantitative assessment of the effects of local content requirements on trade since 2008, green jobs and competitive spillovers, "working the patent" requirements, the value and risks of transparency and new approaches to flexibilities. These points provided a serious substantive basis for moving ahead, thinking and acting on these issues, including in a background note for the meeting entitled "Local content requirements and the green economy" (UNCTAD/DITC/TED/2013/7).

126. UNCTAD participated in the following events on climate change and development:

(a) ESCWA workshop on regional mapping and policy guidelines of green productive sectors in the Arab region, 27 February 2013, Beirut;

(b) Second annual conference of the Green Growth Knowledge Platform, 4 to 5 April 2013, Paris;

(c) *LINKS* 2013 Conference and World Economic Forum Global Agenda Council, 22 to 23 July 2013, Boston, United States;

(d) Fifth session of the General Assembly Open Working Group on Sustainable Development Goals, 25 to 27 November 2013, New York, United States;

(e) Side event on addressing trade in agricultural products and food price volatility in the sustainable development goals/post-2015 framework, 26 November 2013, New York, United States;

(f) OECD Joint Working Party on Trade and Environment, 10 to 12 December 2013, Paris.

D. Organic agriculture as an opportunity for inclusive and sustainable development

127. **Development context and needs of beneficiary countries**. At present, agriculture faces unprecedented challenges and exciting opportunities worldwide. The challenges result from the need to secure a food supply for a rapidly growing human population, while at the same time having to minimize the adverse impacts of agricultural production on the environment. The opportunities relate to new management options, opened up by alternative production targets, technological developments and changing consumer preferences.

128. A shift towards sustainable agricultural production entails the adoption of comprehensive, more system-oriented strategies. Such strategies include farm-derived inputs and productivity based on ecological processes and functions. Furthermore, it involves the traditional knowledge and entrepreneurial skills of farmers. The most consistent system-oriented sustainable practice is organic farming. Because of bans or restrictions on the use of many direct control techniques such as pesticides, herbicides, fast-acting fertilizers or veterinary medicines, organic farmers rely heavily on preventive and system-oriented practices.

129. **Objectives and features.** UNCTAD is implementing organic agriculture development activities in the Lao People's Democratic Republic under a project on enhancing sustainable tourism, clean production and export capacity in the that country. The project is funded by SECO (Switzerland) under the framework of the United Nations Cluster on Trade and Productive Capacity and aims to strengthen the organic agriculture and handicraft (especially the silk) industries. The aim of the project is to achieve a spillover effect in those sectors through backward linkages and develop an overall competitive tourism industry, while at the same time improving the export volume and quality of the above-mentioned sectors, thereby positively impacting on poverty in targeted provinces. UNCTAD, in conjunction with the International Trade Centre, is contributing mainly to the organic agriculture and tourism components of the project.

130. **Output and results**. In 2013, UNCTAD supported the implementation of organic agriculture development activities in the Lao People's Democratic Republic. Through local partners, UNCTAD supported specific activities such as the incubation programme for organic enterprises, capacity-building for Luang Prabang producer groups in the participatory guarantee system, Lao participation in key international or regional meetings on organic agriculture and the activation of a network of extension workers in the districts and villages. UNCTAD also coordinated the preparation of a study on the linkages between organic agriculture and the tourism sector in that country.

131. In Uganda, building on the previous work in supporting its organic agriculture policy, UNCTAD in 2013 supported the development of an implementation plan to operationalize the organic agriculture policy. The work was done in close cooperation with the Uganda Ministry of Agriculture Animal Industry and Fisheries, and other Ugandan

stakeholders and partners. A workshop that was held on 13 June 2013 resulted in the preparation of an action plan for implementation of the national organic agriculture policy. The policy and related implementation plan are being reviewed by relevant government agencies. Organic agriculture is of major interest of policymakers, researchers, farmers and development stakeholders in sub-Saharan Africa because of its economic, social and environmental benefits.

E. Creative economy and sustainable development

132. **Development context**. Creative industries are a potential source of real development gains for developing countries, including employment generation for women and youth, particularly in rural communities. The also contribute to the enhancement of human capital for higher skill occupations and the creation of new export opportunities for products based on indigenous knowledge, design and local culture, as well as services. But such gains require carefully formulated policy strategies that recognize the complexities of the interaction between economic, cultural, technological, industrial and social dimensions of the development process and that are implemented on a multidisciplinary basis, given the multidisciplinary facet of creative industries. Certainly, all countries are different and there is no uniform package of creative economy policy measures to fit all circumstances.

133. Over the past several years the work of UNCTAD on the creative economy and industries has demonstrated that building a supportive environment for creative industries requires a holistic approach to development policy and planning centred on providing support, incentives and tools to local actors in this increasingly important economic sector. Policies for the creative economy must respond not only to economic needs but also to special needs of local communities related to education, cultural identity, social inclusiveness and the protection of local natural and environmental resource endowments, as well as integrating these into local, regional and international markets. Through a better understanding of the dynamics of the creative economy at the local level and the needs of local players, national and municipal policymakers can design more effective policy, regulatory and institutional frameworks to support creative industries and enhance their development impact. It is also critical to strengthen the linkages between creative industries and international markets, especially by improving the access of SMEs and individuals engaged in creative industries to trade, investment and technology in order to expand opportunities for production, employment and poverty reduction.

134. **Objectives and features**. UNCTAD provides demand-driven policy advice to governments and carries out policy-oriented research to identify issues and policy options to assist governments in policy formulation to nurture their creative economies. It promotes synergy inside the United Nations system aiming at complementarities and policy coherence on creative economies, implements technical cooperation projects to help developing countries enhance their creative capacities for trade and development gains and expands its creative economy network, which serves as a catalyst that facilitates collaborations, best practices and knowledge-sharing among stakeholders.

135. **Output and results.** Drawing upon its analyses and expertise on creative economy and industries, UNCTAD made substantive inputs into various national and international events directed at enhancing understanding on the creative economy and developing strategies to strengthen the impact of creative industries on development. Creative economy figured in the High-level session on Creating and Promoting Partnerships, including in creative services during the Global Services Forum held in Beijing from 28 to 29 May 2013. A partnership agreement was also announced between UNCTAD and the Istanbul Commerce University to strengthen its Creative Economy Centre.

136. UNCTAD contributed to the special edition of Creative Economy Report 2013: Widening Local Development Pathways prepared by UNESCO and UNDP with contributions from UNCTAD and WIPO. The report received contributions from eminent personalities, academics, experts and leaders. Contributing to the achievement of inclusive and sustainable development goals and partnerships as key enablers of success in the creative economy are among the aspects addressed in the paper. In addition, a statistical annex providing the economic evidence of the increasing demand for creative goods and services at worldwide level was prepared. The publication was released with UNCTAD participation at UNESCO Headquarters in Paris in November 2013.

137. Further, UNCTAD assisted African countries in continuing to draw up policies, strategies and exchange of knowledge and best practices on enhancing the contribution of the creative economy to economic growth and inclusive development in Africa. It contributed to the Arterial Network Third Creative Economy Conference that took place from 6 to 9 October 2013 in Cape Town, South Africa. Delegates from 50 countries congregated at Cape Town's City Hall and debated on making a connection between arts and culture and economic development. At the event, UNCTAD participated in a CNBC Africa talk show informing the general public about the creative economy and Africa and contributed to shaping the municipality policy of Cape Town on "creative Cape Town".

138. At the request of the Government of Cabo Verde, supported by UNDP, UNCTAD, in close collaboration with the Enhanced Integrated Framework Secretariat launched work to support the Government in the development of an action plan for the creative economy in the context of the Integrated Framework. An initial assessment has been undertaken, and the analytical report on Cabo Verde's Creative Economies: Leveraging vocations for new development was prepared. This joint WTO–UNCTAD publication presented the potential of Cabo Verde to become a case in building a new sustainable development model based on the cultural expressions of its people (music, festivals, handicrafts, gastronomy, tourism and cultural events), a development of small scale goods and services that favours the distribution of income and the quality of life of its population.

139. In 2013, the Creative Economy Report 2010 was translated into Korean, Portuguese and Spanish to help increase the knowledge and understanding of the creative economy among its citizens. This endeavour was supported by the Ministry of Finance of the Republic of Korea, the Creative Economy Secretariat at the Ministry of Culture in Brazil and the Universidad Tecnológica de Chile in Concepcion.

140. UNCTAD participated in various meetings and events where it highlighted the potential contribution of the creative industries in eradicating poverty and the role of culture and creative industries in the post-2015 development agenda, as well as related technical, financial and development needs:

(a) Iberoamerican Creative Industries Statistical Measurement, 6 to 8 March 2013, Medellin, Colombia;

(b) Technical workshop on financing services exports and creative industries, 10 April 2013, Geneva, Switzerland;

(c) 2013 Creativity Week under the theme "Creativity: a vessel for mind development and peace building", 16 to 19 April 2013, Abuja, Nigeria;

(d) Hangzhou International Congress on Culture: Key to Sustainable Development, 14 to 17 May 2013, Hangzhou, People's Republic of China, organized by UNESCO and China;

(e) Creative Services Panel during the Global Services Forum, 28 May 2013, Beijing;

(f) Next Society Forum: A Creative Economy, the Pursuit of People's Happiness, 26 to 27 June 2013, Seoul;

(g) Shanghai Design Week, 5 to 11 September 2013, Shanghai, China;

(h) African Creative Economy Meeting, 6 to 9 October 2013, Cape Town, South Africa;

(i) Symposium on Arts and Culture: Engines of Socioeconomic Development, 6 December 2013, Cali, Colombia.

IV. Cluster IV: Competition policy and consumer protection

Lead entity: Division on International Trade in Goods and Services, and Commodities

141. **Development context**. UNCTAD is the focal point on all work related to competition policy and consumer protection within the United Nations system. The mandate, which dates from the adoption of the United Nations Set on Competition in 1980, sets a top priority: "to ensure that restrictive business practices do not impede or negate the realization of benefits that should arise from liberalization of tariff and non-tariff barriers affecting international trade, particularly those affecting the trade and development of developing countries" (TD/RBP/CONF/10/Rev.2). The Set also recognizes that the basic norms of competition law, which have long been in use in developed countries, should extend to the operations of enterprises, including transnational corporations, in developing countries.

142. Thus, the objectives section of the Set emphasizes that the interests of developing countries in particular should be taken into account in the elimination of anticompetitive practices that may cause prejudice to international trade and development. It also considers the Set to be an international contribution to a wider process of encouraging the adoption and strengthening of laws and policies in this area at the national and regional levels.

143. Despite a general widespread trend towards the adoption, reformulation or better implementation of competition laws and policies in developing countries and in countries with economies in transition, many still lack up-to-date competition legislation or adequate institutions for their effective enforcement and rely to a large extent on UNCTAD capacity-building for this work. In this connection, the Set calls on UNCTAD to provide technical assistance, advisory and training programmes, particularly for developing and less developed countries. Further, UNCTAD was given a mandate at UNCTAD XI to further strengthen capacity-building activities to assist developing countries in issues related to competition law and policy, including at the regional level. The validity of the Set was reaffirmed in 2005 by the Fifth United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices.

144. To meet the increasing demands from beneficiary member States, UNCTAD in cooperation with Switzerland, Sweden, the Regional Centre for Competition in Latin America and the Regional Centre for Competition in Tunisia, is developing a global programme similar to its successful project for Latin America (Competition and Consumer Protection for Latin America – COMPAL). This global project will include several regions under a global project that will be open to all interested countries. The programme will be

launched in July 2014 in connection with the Intergovernmental Group of Experts meeting on competition law and policy.

Table 4
Competition policy and consumer protection

Project number	*Short title*	*Period covered*	*Source of fund*
ALB/0T/BCT	"Delivering as one", Albania project	2012–	One United Nations
INT/8X/603	Training programme on restrictive business practices (competition policies)	1986–	France, Norway, Sweden
RAF/0T/BAH	Implementation of the competition framework in the West African Economic and Monetary Union region and to support the work of the Commission	2012–	West African Economic and Monetary Union
RLA/0T/3BF	Strengthening institutional and capacity-building in the area of competition and consumer law and policy in Latin American countries	2003–	Switzerland, Spain
ROA-2242(O7)	Strengthening capacities in developing countries for the effective enforcement of competition law to minimize constraints to economic productivity	2010–	Development Account

145. **Objectives.** The programme aims to assist developing countries, including LDCs and countries with economies in transition, in formulating and reviewing competition policies and legislation, and implementing competition laws by building national institutional capacity; promoting the creation of a competition culture among government officials, business people, consumers and academics; supporting regional cooperation on competition policy; and helping countries and regional groups better evaluate the implications of regional cooperation on competition issues.

146. The Fifth Review Conference on the Set gave a new impetus to UNCTAD support for developing countries by means of voluntary peer reviews of the competition policy of some countries. Peer review recommendations are translated into capacity-building projects to enhance the competition regime of the beneficiary country. Since 2007, member States, taking note of "recommendation 19 of the Report of the Panel of Eminent Persons concerning the 'need of consolidation of technical cooperation projects… request[ed] the secretariat to initiate… in consultation with member States the process of the establishment of 'thematic trust funds within and among divisions'".4 In response to this decision, and to streamline the technical assistance activities of UNCTAD and increase its impact, the secretariat took two initiatives: extending country coverage of the COMPAL programme from 5 to 10 countries and launching the Competition Programme for Africa, also known by its acronym, AFRICOMP. In providing its assistance, UNCTAD collaborates with other member States and development partners.

147. Assistance is provided in accordance with requests received, needs of countries concerned and resources available. The main types of technical cooperation activities can be described as follows:

(a) Provision of information about anticompetitive practices, their existence and possible adverse effects on the economy. This may involve a study on these practices in a specific country;

(b) Introductory seminars and workshops on the role of competition in promoting development directed at a wide audience, including government officials and academics, as well as business and consumer-oriented circles;

(c) Assistance to countries or regional organizations in the process of drafting competition legislation by providing information on such legislation in other countries, or advice on drafting competition law and related legislation;

(d) Advisory services for the setting up or strengthening of competition authorities (this usually includes the preparation of an institutional framework report, training of officials responsible for the actual control of anticompetitive practices, including the judiciary, and may involve training workshops and/or on-the-job training with competition authorities in countries having experience in the field of competition);

(e) Organization of seminars and workshops for countries that have already adopted competition legislation, have experience in the control of anticompetitive practices and wish to better enforce competition legislation or consult each other on specific cases and exchange information;

(f) Assistance to countries or regional organizations that may wish to revise their competition legislation and seek expert advice from UNCTAD and competition authorities in other States, so as to amend their laws in the most effective manner possible;

(g) Voluntary peer reviews of competition law and policies of interested countries, including assistance for follow-up activities on peer review recommendations;

(h) Assistance to developing countries, including LDCs and countries with economies in transition with a view to helping them better evaluate the implications of regional and bilateral cooperation on competition issues;

(i) Assistance to countries and regional organizations in identifying the role of competition policy in the promotion of competitiveness and development; the need for a development-oriented competition policy and its implications at the national, regional and international levels and strategies for international cooperation in this area;

(j) Assistance in formulating appropriate sector regulations and competition policies.

148. **Output.** In 2013 UNCTAD continued its demand-driven efforts to assist in the creation of a competition culture with the following outputs at national and regional levels, including through cooperative agreements.

A. Outputs at the national level

149. UNCTAD provided technical assistance related to the preparation, adoption, revision or implementation of national competition and consumer protection policies and legislation, as well as in areas contributing to a better understanding of the issues involved, and building national institutional capacity to enforce effective competition legislation. Further, UNCTAD helped governments identify the role of competition policy in development, its implications at the national, regional and international levels, as well as strategies for international cooperation in this field. The main areas of intervention included awareness building on competition issues, competition advocacy, preparation of national competition laws, institution building and voluntary peer reviews of national competition policies and programmes.

1. Activities related to competition policy

150. UNCTAD's advisory and training activities were combined with or were provided by means of seminars, workshops, meetings and activities directed at a specific audience, such as stakeholders and officials, or a general one, including government, academia, business and consumer-oriented circles. These activities helped raise awareness about the role of competition and promote a competition culture.

2. Preparation of national competition laws

151. Within the framework of the efforts to help countries draft and/or review their competition legislation, in 2013 UNCTAD assisted the Governments of Brunei, Comoros, Guatemala, and Paraguay in the drafting of their competition laws and assisted those of Seychelles, Zimbabwe and Serbia in revising their respective relevant laws. The competition laws of the Comoros and Paraguay were adopted in 2013.

3. Competition advocacy

152. UNCTAD's various advisory and training activities were combined with other events or provided through other seminars, workshops, meetings and activities directed at stakeholders, specific officials or a wide audience including government officials and academics, as well as business-and consumer-oriented circles. The First Euro-Mediterranean Competition Forum (EMCF) Workshop was organized in connection with the thirteeth Intergovernmental Group of Experts on Competition Law and Policy in July 2013 and dealt with competition advocacy towards certain constituencies in the private and public sectors. The Second EMCF Workshop was held in Tunis in November 2013 and addressed the relationship between competition agencies and sector regulator. The next two meetings will be held in connection with the International Competition Network in Marrakech and Malta in September 2014 respectively.

4. Training of competition case handlers

153. Within the framework of training activities for competition case handlers, several training workshops were organized in 2013. Under the national component of COMPAL, between January and December 2013, the UNCTAD secretariat organized several training workshops for judges in Colombia and Peru (June and December), El Salvador, Nicaragua and Costa Rica (November). Some of these workshops were organized in coordination with national competition authorities; such was the case of Colombia, Peru, Nicaragua and Costa Rica. Training courses and workshops were also held for competition case handlers and judges.

154. In March 2013, a workshop on international bid rigging for competition case handles of Ecuador was organized. The aim of the workshop was to provide lessons from case law on the liquid oxygen market in seven jurisdictions: Argentina, Brazil, Chile, Colombia, Mexico, Panama and Peru from 2002–2012.

155. In April 2013, under the UNCTAD–Oxford University cooperation agreement, competition case handlers of Colombia and Peru were trained by the Director of the Oxford Competition Centre, Mr. Ariel Ezrachi, United States Federal Trade Commission expert; Mr. Tim Hughes and UNCTAD officials. This training was subsequently continued in October 2013, when two competition case handlers from Colombia and Peru attended a special two-week study tour at the Competition Centre in Oxford. It is expected that the same activities will take place in 2014. A regional workshop for judges was organized in Botswana from 24–25 September 2013.

5. Institution building

156. UNCTAD support to countries that adopted national legislation, as well as to newly established competition agencies, includes activities in support to institution building. In addition, UNCTAD and the Government of Bulgaria launched on 21 November 2012 the Sofia Competition Forum". It is a regional initiative, which strives to foster cooperation and the development of regional ties in the Balkan region towards ensuring a uniform application of competition rules. The initiative aims to assist countries in the region in adopting and enforcing competition law and to maximize the benefits for these countries of well-functioning markets. The creation and improvement of competition legislation, capacity-building, application of best practices in law enforcement and finding common solutions to specific competition concerns in the region are key objectives of the Forum. The second and third sessions of the Forum were held in Sofia in May and November 2013 respectively.

6. Consumer protection

157. In respect of consumer protection matters, capacity-building and training activities were implemented at the international and country level.

158. In 2013, UNCTAD held a briefing for the diplomatic missions in Geneva on the United Nations Guidelines for Consumer Protection, as part of the preparatory process for the seventh United Nations Review Conference to be held in 2015. The briefing, held on 29 October 2013, was attended by regional coordinators and representatives of more than 30 permanent missions in Geneva and was an opportunity to discuss the consultations concerning the Guidelines.

159. The UNCTAD secretariat made clear that these consultations would not involve negotiations about the pertinence of revising the Guidelines or the text, but rather would consist of transparent and inclusive preparatory work to be submitted for the consideration of the review conference in 2015. A related report will summarize best practices in each field and may propose a draft resolution on actions to be taken. Each working group will meet mainly online. UNCTAD will conduct further consultations at international and regional forums on consumer protection throughout 2014 and 2015.

7. Peer reviews and follow-up

160. With a view to ensuring coherence between overall governmental approaches to the privatization and liberalization of trade and investment regimes, UNCTAD initiated the organization of voluntary peer reviews on competition law and policy, which has become a core activity of its work on competition policy. Peer reviews provide an ideal forum to discuss market-based policy approaches and promote development, with a view to ensuring that markets work for the poor.

161. From 17–18 June, 2013, UNCTAD organized the dissemination of the peer review report of the Seychelles in its major commercial city, Victoria. UNCTAD also presented the results of the peer review of Nicaragua at the American University of Managua on 22 October 2013. A project to implement the peer review recommendations is currently under consideration.

162. To assess the value and impact of UNCTAD's peer reviews, an external evaluation of the peer reviews and implementation of their recommendations is currently being carried out. A report will be presented in 2015 to the Seventh United Nations Review Conference.

B. Outputs at the regional and subregional levels

163. UNCTAD technical cooperation and capacity-building activities were increasingly provided within the framework of regional and subregional groupings.

1. Competition policy for Latin America

164. Under COMPAL[3] a number of capacity- and institution-building as well as training and information-sharing events were provided to beneficiary countries in 2013:

165. **Colombia** – competition law training programme with Oxford University in cooperation with Peru, 18–20 April 2013; organization of a study tour in Oxford, 18–30 October 2013; training for judges in cooperation with El Salvador and Nicaragua; two training workshops for judges in June and December 2013 in coordination with Peru.

166. **Costa Rica** – Workshop on alternative dispute resolution and e-commerce. Training of Agency's human resources on consumer rights. 20–21 May.

167. **El Salvador** – Training of judges in cooperation with Costa Rica and Nicaragua, November 2013; training workshop on bid rigging addressed to members of the public procurement offices in El Salvador, 10–15 March 2013.

168. **Nicaragua** – Training of judges in cooperation with El Salvador and Costa Rica, 6–8 November 2013.

169. **Paraguay** – Technical assistance to comment the proposed new competition law prepared by the Inter-American Development Bank, 26–27 September 2013.

170. **Peru** – Competition law training programme with Oxford University in cooperation with Colombia, 11–12 June; two training workshops for judges in June and December 2013 in coordination with Colombia; participation in the Latin American Competition Forum of OECD in September 2013; signature of the Lima Declaration, an informal cooperation agreement between Colombia, Chile and Peru.

171. **Dominican Republic:** International Consumer Protection Forum, 23–24 May 2013.

2. Competition Programme for Africa

172. Within the framework of the Competition Programme for Africa, country-specific capacity-building activities on competition policy and law were undertaken in Africa. In 2013, UNCTAD organized a two-week training course for case handlers of the West African Economic and Monetary Union (WAEMU) and the representatives of their member States in cooperation with the Zurich School of Management and Law in Geneva, Switzerland, from 1–12 July 2013, back to back with the thirteenth session of the Intergovernmental Group of Experts (IGE). In addition, two drafting sessions were organized in Geneva in cooperation with the Competition Directorate of the WAEMU Commission in September and November 2013 in Geneva. The aim of these sessions was to draft guidelines which would decentralize the enforcement power to member States, and thereby improve the enforcement of the community rules in WAEMU.

173. Four sector studies were published in 2013: *The State of Competition in Mozambique; Competition Issues in the Transport Sector in Lesotho*; *Competition Issues in the Tobacco Industry of Malawi*; and *Competition Issues in the Petroleum Industry in Zambia*.

[3] http://unctad.org/en/Pages/DITC/CompetitionLaw/Competition-and-Consumer-Protection-Policies-for-Latin-America-%28COMPAL%29.aspx.

C. Cooperation with other organizations

174. UNCTAD has developed an extensive network of cooperating partners in cooperation with which many analytical and capacity-building activities are implemented. Through the Intergovernmental Group of Experts, long-standing cooperation with national competition authorities and competition experts worldwide has been established. This is being further strengthened with selected countries through national-level capacity-building activities and the conduct of voluntary peer reviews. Cooperation with NGOs and civil society, as well as the private sector, is also undertaken. As UNCTAD technical cooperation and capacity-building activities were provided both at the national level and within the framework of regional and subregional activities, the relations with regional integration groupings of developing countries in support of the development and implementation of regional competition policy have been strengthened.

175. In 2013 several memorandums of understanding relating to cooperation were signed between UNCTAD and the following countries and institutions: Argentina, Brunei, Colombia, Costa Rica, El Salvador, Malaysia, Mexico, Nicaragua, Peru (Supreme Court), and University of Zurich. A draft memorandum of understanding between UNCTAD and China is being finalized (expected date of signature, 2014). Furthermore a tripartite agreement was concluded with Chile, Colombia and Peru.

D. Impact

176. The UNCTAD 2013 survey on capacity-building generated a variety of responses. A sample of feedback from competition authorities illustrates its usefulness:

(a) The Italian Competition Authority reported that its twinning project with the Croatian Competition Agency (CCA) had proved fruitful. The technical assistance programme attained its objectives of enhancing the capacity of CCA staff to handle antitrust cases and strengthening their familiarity and awareness of competition enforcement techniques, in view of the imminent admission of the Republic of Croatia to the European Union. Furthermore, the current training project in Malta allows for experience sharing between the two competition agencies that makes it possible to better frame and tackle competition issues and cases. Both the projects in Albania and Algeria, which successfully promoted competition culture, and the study visits at the Italian Competition Authority by several foreign agencies, increased the opportunities for mutual understanding and informal cooperation;

(b) The European Union indicated that technical assistance programmes were a useful tool in assisting the recipient countries in further developing their competition regimes. In order for these programmes to have the maximum beneficial effect it is important that they be demand-driven, i.e. that they address real needs identified by the recipient country;

(c) The Competition Authority of Peru reported that technical assistance provided by the COMPAL programme contributes to strengthening the technical capabilities of INDECOPI on competition and consumer protection. It also provides the opportunity for an exchange of experiences between similar institutions within members of COMPAL.

V. Cluster V: Commodity sector development and poverty reduction

Lead entity: Special Unit on Commodities

177. The programmes under this cluster aim to improve the capacity of commodity-dependent developing countries, LDCs and countries with economies in transition to harness development gains from the 2008 boom in commodity prices and enhanced international cooperation with a view to addressing trade and development problems associated with the commodity economy, including the food crisis and poverty reduction (Accra Accord, paras. 91–93, 98 and 183). See table 5.

Table 5
Commodity sector development and poverty reduction

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/42Z	Collection and dissemination of iron ore statistics	1994–	Multi-donor
INT/9X/9C2	L'intelligence économique au service des plus démunis	1999–	France
INT/0T/9AX	Global Commodity Forum	2009–	Common Fund for Commodities
RAF/9X/9DE	Optimizing African natural resources management	1999–	Multi-donor

A. INFOCOMM

178. **Development context.** Commodity-dependent developing countries continue to face difficulties in getting broad-based, well-organized and verified information. The imperfect nature of the information and the disequilibrium in the distribution of information lead to what is termed "asymmetric information" on price, quality, quantity, credit and many other relevant variables. Long-established commodity-related sources of information are relatively dispersed, not provided free of charge and not always well structured. Above all, there is a massive flow of electronic news and information, usually diverse and seldom accurate. It is thus costly and time consuming, and it is difficult to identify the relevant set of unbiased, specialized information in a specific commodity sector. As a result, policymakers do not always have the proper analytical tools to assess the rapid changes in commodity market structures, adjust their policies accordingly or be able to improve their competitiveness. Similarly, emerging commodity operators and smallholders are looking for intelligence sources and friendly and operational systems so they can increase efficiency, expand markets, respond to business opportunities and capture more of their commodities' value. Reducing the digital divide and increasing access to the use of structured information on commodities are prerequisites for establishing effective production and trading strategies.

179. **Objectives and features**. These are as follows:

(a) To promote market information and transparency, reduce the asymmetry in accessing strategic commodity-related information, improve the understanding of

commodity structures and provide access to the analysis that is vital to the formulation of pertinent policies for commodity production, marketing, processing and financing;

(b) To design information and communications technology (ICT) tools in this field that will improve developing countries' access to key information and data at the national and international levels;

(c) To manage, organize and develop, in a practical and innovative manner, knowledge management and sharing instruments for assisting the decision-making process in both the public and private sectors.

180. Targeted work to increase knowledge and strengthen domestic and international capacities has given impetus to material and effective actions. Such work usually takes the form of a series of activities interlinking commodity information, market intelligence and knowledge management. The UNCTAD programme in the commodities area (INFOCOMM) is designed to review, adapt and disseminate information – useful for the different strategic, informational, organizational and economic aspects of the commodity sectors – on a series of products in an innovative way.

181. **Outputs.** The development of international knowledge management tools, including the market information in the commodities area (INFOCOMM) project. Outputs in 2013 were the following:

(a) Web pages for 29 commodities were updated, including texts, pictures, formatted tables, reference materials, monthly market reports and external links. For each commodity profile the following statistical information was updated, and the relevant analytical draft was produced: production, consumption, international trade (exports and imports, trade flows), and prices.;

(b) All the 29 commodities' webpages were originally created in French. Over the years, continuous efforts have been made to expand commodities profiles by adding English and Spanish translations. During 2013, the following agriculture commodities profiles were translated into English: rice, maize, pineapple, palm oil, and jute. The following metal commodity profiles were translated into English: copper, zinc, nickel; the profiles of jute and zinc were translated to Spanish.

(c) The general profiles are now available in English, French and Spanish for the following commodities: citrus fruit, cocoa, coffee, jute, olive, palladium, platinum, rice, tea, tropical timber and zinc; in English and French for banana, copper, cotton, palm oil, pineapple, maize and rubber; in French for aluminium, cashew nuts, coal, pepper, iron/steel, karate, mango, sugar, other timber, tobacco and wheat.

B. Global Commodities Forum

182. **Development context**. Many developing countries depend on commodities for their economic well-being. As demand for commodities in the long term is projected to increase, thus posing major challenges for their sustainable and efficient production, there is a real need to consider how to stabilize commodities markets and improve policies, so that the benefits can be more equitably distributed between commodity producers and consumers. Through the Global Commodities Forum, UNCTAD and its partners have played a key role in providing a neutral platform, augmented by information resources, to help address the volatility of markets and associated development challenges, particularly in commodity-dependent developing countries.

183. **Outputs**. Pursuant to UNCTAD XII decisions, the Forum is organized on a yearly basis to debate the key issues of commodity economy, commodity trade, commodity

finance and commodity logistics and their implications for commodity production, international trade and development.

184. **Results**. The fourth Global Commodities Forum took place in Geneva, Switzerland, on 18–19 March 2013. It was organized by UNCTAD and co-sponsored by Afrexim Bank, GazNat and China. The Forum was attended by more than 300 participants, including government ministers and other policymakers, commodity producers, traders, financiers, consultants, academics and other experts. The theme was "Recommitting to commodity sector development as an engine of economic growth and poverty reduction".

185. As an innovation relative to previous forums, three prominent keynote speakers were invited to share their perspectives on: the relevance of smallholders in agricultural development policies; the contribution of farmers' associations to agricultural and rural development; and the increasing convergence of the interests of governments, local communities and transnational corporations both in agribusiness and extractive industries. Despite the complexity of the issues that were discussed and the fact that participants represented different interests in the commodities sector, there was a convergence of views around the need to have a commodities sector that contributes more to sustainable growth and development.

186. Making the commodity sector an engine of economic growth and poverty reduction, which was the theme of the fourth Global Commodities Forum, will require concerted action from private, public and civil society actors. UNCTAD, through its Global Commodities Forums to attain this goal and other consensus-building processes, is committed to facilitating dialogue among the parties.

C. Trust Fund on Iron Ore Information

187. **Development context.** The governments of several iron-ore exporting countries established the Trust Fund on Iron Ore Information to be administered by UNCTAD and be operational from 1 June 1989. The reporting costs of the Trust Fund are offset by donor contributions from several governments and sales of publications.

188. **Outputs.** The *Iron Ore Market Report* is an annual publication issued every June. It contains updated information on iron ore production, trade and prices, the short-term outlook and a market analysis. *Iron Ore Statistics*, a statistical report published annually around October and November, contains tables with worldwide and country-specific data for iron ore production, exports, imports and prices, as well as pellet production, exports and production capacity and other data relevant to the world iron ore market. *Statistical Update* (in electronic form only) appears in December. In 2013, the *Iron Ore Market Report* was issued under UNCTAD/SUC/2013/1, and *Iron Ore Statistics* under UNCTAD/SUC/2013/3. *Statistical Update* was released in December 2013.

189. **Results.** The publications of the Trust Fund are highly valued by the industry and other stakeholders. Indeed, the demand for them from iron ore producers, shipping agents, steel companies and consultants has grown increasingly since the establishment of the Fund. The publications provide up-to-date, accurate and comprehensive information on developments in the world iron ore market, including statistical data and analyses. The overviews of and outlooks for the world iron ore market situation based on the *Iron Ore Market Report*, as well as Trust Fund activities, were promoted at major international conferences on iron ore and raw materials for steelmaking. In 2014, the secretariat plans to make a comprehensive evaluation of the current operational modalities of the project and to make arrangements to improve its effectiveness and financial viability.

D. Sixteenth Africa OilGasMine Trade and Finance Conference and Exhibition

190. **Development context**. African countries contribute to a sizeable share of the global reserves and production of some minerals, with many African economies highly dependent on their extraction. Africa leads the production of numerous mineral commodities, such as platinum, phosphate, gold, chromium, manganese, vanadium, cobalt, copper and diamonds. However, the continent's participation in the global minerals industry is limited to providing raw materials. Today, most of Africa's minerals are still exported as ores, concentrates and metals, without significant value addition.

191. The commodity boom experienced over the past decade has contributed to the rapid economic growth of mineral-rich African countries; however, development challenges remain. In the mining sector of developing countries, the exploitation of natural resources has failed to generate jobs, create linkages with the broader economy or address environmental degradation. There is a general consensus that revenues from the natural sector should be managed in a transparent and accountable manner to benefit current and future generations. There is also agreement that to achieve inclusive growth and development in the African countries, the revenue accruing from natural resources should be used to enhance the diversification of economies, increase value addition and promote integration into and climbing up global value chains. These revenues should also be used to mitigate adverse social and environmental effects on communities arising from mining activities.

192. This highlights the need for a development strategy more closely oriented to societal concerns and rooted in broadening the economic base. The other important issues range from cross-border matters, particularly for landlocked low-income countries, to security and safety in extractive industries and sustainable management of resources.

193. Since 1996, UNCTAD has organized an annual Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition (OILGASMINE) in different locations in Africa with a view to helping find solutions to the above-mentioned challenges. The sixteenth annual conference took place in Niamey, Niger, in November 2013.

194. **Objectives**. The objective of the annual conference is to provide a platform for high-level policy dialogue between producers and consumers, investors and host countries, and other stakeholders on topical issues that play an important role in the sustainable development of extractive industries. The conference also aims to foster constructive partnerships and cooperation, including regional, South–South, North–South and triangular cooperation. The central theme of the sixteenth OILGASMINE was "Governance and trade in extractive industries". Contributing to establishing innovative partnerships and formulating ex post Beijing agenda on future policies for empowering women in oil, gas and minerals sectors in Africa, a special session on women in extractive industries was organized back to back with the Conference.

195. **Outputs.** Dialogue between stakeholders, experiences shared and lessons learned from good and bad practices have resulted in redesigning policies and legal frameworks to promote the impact of the energy and mining sectors on the overall national development. Some of the outputs include the successful development of local content policies, effective price-risk-management strategies and risk-mitigating programmes, capacity-building in response to price developments and attracting finance for trade and infrastructure development. The conference also provided exporting countries with instruments for reducing the asymmetries of information and negotiating a more equitable share of revenue and better distribution of wealth created from the industries.

196. The sixteenth OILGASMINE was hosted and organized by the Government of the Republic of Niger in Niamey from 19 to 23 November 2014. The Conference was attended by 500 delegates from 34 countries, 23 of which were from the African continent. The discussions focused on how to manage in a transparent and accountable manner the windfall gains from petroleum and mining production and trade, and the measures needed to share the revenues generated more equitably.

197. Participants stressed the need to implement policies that enhance the productive capacities, including infrastructure, that will boost intraregional trade and facilitate access to markets by landlocked countries such as Niger as well as human capital development. A ministerial round table discussed the regulatory and capacity-building measures enforced in their countries to increase the positive impact of the extractive industries. The outcome of the Conference was a resolution recommending actions within the framework of the Africa Mining Vision that will improve governance, address the capacities gap, enhance local content development and effectively empower women in the extractive industries.

198. A special round table on women in the extractive industries named SEKHMET took place with four African First Ladies (Niger, Mali, Burkina Faso, Central African Republic and the representative of the First Lady of Equatorial Guinea) in attendance. The session discussed diverse challenges faced by women in the extractive industries, from the boardrooms of oil, gas and mining companies, to rural women accessing modern cooking energy systems, and practices that have proven effective in increasing women participation in the extractive industries.

VI. Cluster VI: Foreign direct investment trends and issues

Lead division: Division on Investment and Enterprise

The programmes under this cluster (table 6) are aimed at increasing understanding of various key issues and policies relating to public and private investment, in particular the impact of foreign direct investment (FDI) on development.

Table 6
Foreign direct investment trends and issues

Project number	*Short title*	*Starting date*	*Source of fund*
INT/0T/2CW	Development and dissemination of selected data on FDI and the operations of transnational corporations	2003–	Multi-donor
INT/0T/3BR	*World Investment Report* series	2003–	Multi-donor
INT/0T/BAQ	Capacity-building in investment for development	2011–	Norway
INT/0T/BBU	Testing of indicators in pursuit of the Group of 20 Action Plan on Development, Private Investment and Job Creation Pillar	2012–	Germany

A. *World Investment Report series*

199. **Development context.** As the focal point in the United Nations system for investment and technology, UNCTAD promotes the understanding of key issues, particularly on FDI-related matters, and assists developing countries in attracting and benefiting from FDI and building their productive capacities and international competitiveness. The *World Investment Report* (*WIR*) series provides up-to-date and comprehensive data on issues pertaining to FDI and transnational corporations, analyses trends and developments in FDI, examines the implications of activities by transnational corporations related to these trends and assesses both international and national policy issues of relevance to developing countries. It serves as a policy decision-making input, an analytical instrument for improving national capacities to attract and benefit from FDI and a capacity-building tool.

200. **Objectives and features.** The *WIR* series is a key instrument in helping policymakers to improve their understanding of emerging FDI-related issues and policy implications for development and, as a result, enhance their ability to formulate FDI policies that will contribute to development objectives. The series therefore serves as an essential tool for the formulation of FDI policies, which feeds into UNCTAD's technical assistance work. The preparation involves the following interrelated activities:

(a) Policy analysis and research: An extensive peer review of the *WIR* outline, drafts and final text is conducted. The preparation of each chapter and section involves dialogue with relevant stakeholders, including with experts (especially those from developing countries), to ascertain facts and determine trends on the topics analysed;

(b) Capacity-building workshops and seminars: These enable policymakers, researchers and other experts from developing countries to directly contribute salient experience, knowledge and information for each *WIR*. As such, these activities constitute a key element of the peer review process;

(c) Dissemination of the report's findings and results: Dissemination begins with the organization of over 40 press conferences in national venues on the report's launch date, followed by seminars/workshops for policymakers in developing countries. These workshops allow stakeholders from developing countries to discuss the results of the research and policy analysis, including ways and means of using them in concrete policymaking and implementation;

(d) Dedicated networks of experts: In order to maintain the report's consistent quality, dedicated networks of experts are maintained and supported through a range of activities, including seminars and conferences.

201. **Outputs.** Major outputs for the *World Investment Report 2013* (*WIR13*) include the following:

(a) *WIR13* was released worldwide on 26 June 2013, and press events and round-table discussions were organized in 43 cities (in 42 countries) in collaboration with UNICs, UNDPs, national investment promotion agencies and other public entities. To facilitate global media coverage, 11 sets of press releases were prepared, some of which were translated into official United Nations languages and other local languages;

(b) The successful dissemination of the findings and policy recommendations of the report were supported by the media coverage (exceeding 1,200 articles in nearly 90 countries as of the end of January 2014). The report can be freely downloaded from the UNCTAD website as one file for the entire report or as individual chapters. The number of downloads reached 75,000 from users from over 200 countries and territories. For the first

time ever, more than half of the downloads were registered in developing and transition economies;

(c) Databases on FDI, mergers and acquisitions and the largest transnational corporations were maintained and updated. Another important database on global value chains, including data on value added trade, were maintained and updated. Much of the data in these databases were made available to the public;

(d) Two peer review meetings (31 January–1 February 2013 and 25–26 April 2013) were organized for *WIR13*.

202. **Results.** Global value chains (GVCs) were the focus of the WIR13. The Report described how host countries could most effectively use them to build productive capacity, carry out economic upgrading and raise social and environmental standards. The Report also discussed how to embed them in country development strategies and industrial development policies, and proposed policies for productive capacity-building in GVCs, a social and environmental governance framework for them and a coordinated approach to aligning trade and investment policies in them.

203. The G20 discussed the key findings relating to GVCs at its 2013 summit and requested UNCTAD to conduct further analysis. The *WIR13* was also used for FDI-related Cabinet discussions in Ethiopia, India, Mexico, Myanmar, South Africa, Tunisia and the United Kingdom. Mr. Robert Hormats, the United States Under-Secretary of State for Economic, Business and Agricultural Affairs, blogged on GVCs on the launch day of the Report.

B. Technical assistance on regional investment cooperation

204. UNCTAD extended technical assistance to ASEAN in November 2010 to develop a comprehensive multi-year investment work programme (2011–2015) to help realize the objectives and key investment provisions of the ASEAN Economic Community Blueprint and the ASEAN Comprehensive Investment Agreement. Subsequently, a consultation meeting between UNCTAD and the ASEAN Coordinating Committee on Investment was held in February 2011 in Jakarta to discuss the concept, specific approaches, actionable activities and methodology to develop a comprehensive work programme on regional investment. At the same time, UNCTAD presented a comprehensive work programme on regional investment to the ASEAN Coordinating Committee on Investment in Jakarta. Components of the multi-year programme have been initiated, including the ASEAN Investment Report Series, which UNCTAD is preparing in cooperation with the ASEAN Secretariat.

C. Capacity-building in statistics on foreign direct investment

205. **Development context.** Scarcity, unreliability and inconsistency in existing data reporting systems cause severe problems in formulating policies and strategies regarding FDI. There is also a shortage of studies on the role of FDI and its impact on sustainable economic development and its contribution to the transfer of technology, human resource development and export performance. In response to recommendations made by the UNCTAD Expert Meeting under the theme "Capacity-Building in the area of FDI: Data compilation and policy formulation in developing countries" in December 2005 and endorsed by the tenth session of the Commission on Investment, Technology and Related Financial Issues (Geneva, Switzerland, 6–10 March 2006), UNCTAD continues to provide technical cooperation in FDI statistics. In addition, the Group 77 and China at the fifty-ninth session of the Trade and Development Board in September 2012 appreciated the new

initiative of preparing FDI contribution index and strongly recommended that UNCTAD collect data on the activities of transnational corporations for LDCs, and if unavailable, to provide guidance or technical assistance to collect these essential data.

206. **Objectives and features.** The overall objective of the project is to increase FDI inflows to developing countries, particularly LDCs, by formulating FDI policies based on quality FDI data and information of transnational corporations operating in the region or the country. This project aims at enhancing the capacity of government agencies in these countries to compile, disseminate and analyse data on FDI and the activities of transnational corporations by implementing internationally recommended methodological standards and enabling national authorities to maintain high-quality and up-to-date databases. It also intends to strengthen networking among national authorities involved in FDI data compilation and reporting and in FDI policy issues and investment promotion activities, so as to facilitate the exchange of experience.

207. **Outputs.** In 2013, three national workshops on FDI statistics and activities of foreign affiliates were organized in Zimbabwe, Myanmar and Sudan. The workshops in Zimbabwe and Sudan were organized in collaboration with COMESA. The workshops aimed at assisting officials of ministries and other government agencies, as well as other public and private institutions (for example, tax office, chamber of commerce) dealing with statistical issues related to FDI in implementing the UNCTAD Common Survey and in establishing an effective survey system to collect and disseminate data on FDI flows and stock and activities of foreign affiliates of transnational corporations. The workshops prepared the ground for the next stage in the area of establishing and improving statistics on FDI and transnational corporations, including developing national strategies in the area of FDI data compilation and dissemination, and setting up the compilation and data dissemination systems for internationally comparable statistics on FDI and transnational corporations.

D. Principles for Responsible Agricultural Investment

208. **Development context.** There is an increasing interest in investment in agriculture in developing countries, by both foreign and local investors. After decades of struggling to attract corporate investment, including FDI, in their agricultural sectors at scale, developing countries are now faced with significant challenges in terms of how to accept the type, size and number of such investments in order to maximize development benefits, while minimizing socioeconomic and environmental risks. To ensure net positive outcomes for host countries, actions are required by governments, corporate investors in agriculture, and other stakeholders affected by the investments, especially local communities.

209. **Objectives and features.** UNCTAD, FAO, IFAD and the World Bank (the Inter-Agency Working Group) proposed and put into play a set of Principles for Responsible Agricultural Investment (PRAI) in 2010. The Working Group has since implemented a twin track approach, adopted by their governing bodies, and approved – among others – the development pillar, as the way forward at the G20. This comprises field-testing the PRAI (first track) to establish a solid base of evidence on the impacts of investment, use the lessons learned as a basis for refining the principles, informing various consultation processes (second track), including through the Committee on Food Security, and – most importantly – using the evidence to provide technical assistance to host country governments, investors and communities.

210. **Results.** Field-testing of the PRAI was conducted during 2013, including detailed interviews with 39 agribusiness investors and around 550 other stakeholders. The final report will be published in late February 2014.

211. **Outcomes.** Technical assistance was in effect provided to policymakers, investors and communities during the fieldwork process itself. Preliminary findings of the PRAI field-testing were presented at the Tokyo International Conference for African Development (TICAD V) with more than 200 attendees, including Japanese Government ministers in Yokohama. PRAI was mentioned in the TICAD V outcome document. Results of the field-testing formed the basis for a workshop with APEC governments, the private sector and civil society organizations in connection with the APEC ministerial meeting in Medan. Technical assistance was provided to government officials administering the Bagre Growth Pole project in Burkina Faso and to COMESA ministries of agriculture in implementation of CAADP investment plans. An update on PRAI was provided to the December 2013 G20 meeting in St. Petersburg, Russian Federation. UNCTAD led a technical session with Lao Government officials who will be conducting the survey of agricultural investments in the Lao People's Democratic Republic, providing advice on how the survey methodology could be revised to incorporate findings from UNCTAD research. Results from the field research will also be presented at the World Bank Land Conference in Washington, D.C., and a workshop with ASEAN government officials.

VII. Cluster VII: Investment policies, treaties and facilitation

Lead division: Division on Investment and Enterprise

The programmes under this cluster (table 7) aim at enhancing the ability of beneficiary countries to create an environment conducive to attracting and benefiting from investment for development, increasing their understanding of key and emerging issues related to international investment agreements (IIAs) and their development dimension, boosting their capacity to negotiate and implement investment treaties and facilitating management of investor–State disputes.

Table 7
Investment policies

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/0BG	Capacity-building on international investment agreements	2000–	Multi-donor
INT/0T/3AO	Support to the UNCTAD/International Chamber of Commerce Investment Advisory Council	2003–	Norway, Germany
INT/0T/3AW	Investment policy reviews in French-speaking countries	2003–	France
INT/0T/8AC	Assistance in formulating investment policies and building human and institutional capacities for sustainable development	2008–	Sweden
ROA-2264 (AK)	Towards developing a global monitoring system in national investment policies	2012–	Development Account

A. Investment policy reviews and follow-up programme

212. **Development context.** The UNCTAD investment policy review (IPR) is a technical assistance programme with a dual objective. First, based on the UNCTAD Investment Policy Framework for Sustainable Development, it evaluates the policy, regulatory and institutional environment for investment, and foreign direct investment (FDI) in particular. Second, in line with the requesting country's overall economic and social development objectives, the IPR proposes concrete and action-driven recommendations aimed at attracting higher levels of beneficial FDI.

213. **Objective/features.** The IPR process promotes ownership and learning. The programme is conducted in five consecutive phases:

(a) Government ownership. The reviews are initiated at the request of governments and the counterpart government ministry or agency is involved throughout the process to foster ownership and coherence;

(b) IPR evaluation and advisory report. The preparation of the IPR report starts with a diagnostic phase that includes a fact-finding mission by UNCTAD technical staff. Policymakers at the highest level and a wide range of stakeholders are brought into the process, including line ministries and agencies, universities and other research institutions. Meetings are also held with representatives of the private sector, non-governmental institutions and the donor community active in the country;

(c) Country ownership and intergovernmental review. Once the draft report is ready, beneficiary countries agree to go through a review process that includes a national stakeholders workshop to discuss the findings of the draft report and review its recommendations. It is followed by an intergovernmental peer review, which draws upon the experiences of other countries in attracting and benefiting from investment, including benchmarking against international best practices;

(d) Implementation and follow-up technical assistance. The review process is designed with one key purpose: to make FDI work for sustainable development. The finalization and publication of the IPR report is the preamble to the core focus of the programme, namely the delivery of technical assistance to beneficiary countries to help them meet their development objectives by attracting higher levels and diversified types of FDI inflows, while maximizing their developmental benefits and limiting any potentially negative impact. The implementation phase is carried out through short-term action plans and multi-agency technical assistance in the medium term;

(e) Implementation reports and additional follow-up actions. About five years after the completion of the review report, UNCTAD conducts an assessment of the implementation of recommendations and makes proposals for further and longer-term technical assistance.

214. **Outputs**: In 2013, the main outputs delivered by the investment policy review and follow-up programme included:

(a) Publication of the IPRs for Bangladesh, Djibouti, the Republic of Moldova and Mongolia;

(b) The report on the implementation of the IPR of Lesotho was published, and advanced drafts of the reports on the implementation of the IPRs of Colombia and Zambia were prepared;

(c) Work was under way to prepare three new IPRs, including for the Republic of Congo, Kyrgyzstan and the Republic of Sudan;

(d) Technical assistance activities were carried out in a number of countries to support the implementation of the IPR recommendations and to deal more effectively with issues related to investment policies, promotion strategies, international investment agreements and business facilitation. The countries which benefited from these activities include Colombia, Djibouti, the Dominican Republic, Lesotho and Zambia.

215. **Overall results.** Overall, the various activities have contributed to improving the policy, regulatory and institutional environment in developing countries, including LDCs, post-conflict countries and economies in transition. UNCTAD *Investment Policy Reviews* have played a key role in strengthening the investment policies and strategies of beneficiary countries with a view to attracting higher levels of FDI and deriving larger development gains, while minimizing potential costs. Furthermore, activities to support the implementation of IPR recommendations and to build capacity in international agreements and investor–State disputes have also contributed to enhancing the international framework for investment. Evidence of impact can be illustrated at three levels: a country's commitment and endorsement of recommendations, implementation of IPR recommendations and impact on investment flows and investment environment.

1. Commitment at the highest level and endorsement of recommendations

216. The importance and relevance of the IPR work is reflected by the involvement of Heads of State or Governments in the process and their commitment to implement its outcome. In most cases, IPRs have been presented to and discussed with Heads of State and Cabinet ministers. For instance:

(a) The Minister of Economy of Guatemala discussed IPR recommendations with the Secretary-General of UNCTAD and played an active role in the IPR national workshop in Guatemala City. The Minister also participated in the ensuing activities, including a high-level briefing session with Cabinet ministers chaired by the Vice-President;

(b) In the former Yugoslav Republic of Macedonia, during the November–December 2010 mission, the Deputy Prime Minister for Economic Affairs and the Minister of Economy committed to the IPR process and implementation of the recommendations;

(c) Cabinet ministers and ambassadors from beneficiary and partner countries systematically participated in the intergovernmental presentations of IPRs that took place in Geneva, Switzerland, in the context of sessions of the Investment, Enterprise and Development Commission. For instance, Burkina Faso, Burundi, Sierra Leone and Guatemala participated in these sessions in June 2009, April 2010, December 2010 and May 2011, respectively;

(d) The IPR of Mongolia was showcased at a high-level gathering between the President of Mongolia and over 400 investors during the 2014 World Economic Forum in Davos;

(e) More than 30 ministers as well as heads of international organizations (ITC, the Organization for Economic Cooperation and Development (OECD), the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and WTO) recognized, during round table 2 of UNCTAD XIII in April 2012, the valuable guidance that developing countries and economies in transition could obtain from the IPFSD.

217. Other examples where Heads of States and Governments were directly involved in the IPR discussions and committed to implementing their recommendations include Belarus, the Dominican Republic, Morocco, Nigeria, Rwanda, Uganda and Viet Nam.

218. Government officials have also directly expressed their interest as the following endorsements reveal:

(a) "The IPR of Djibouti addresses very important issues and, in particular, how FDI can contribute to job creation and poverty reduction." (Mr. Hassen Ahmed Boulaleh, Minister of Commerce and SMEs, Handicraft, Tourism and Formalization, Djibouti, 30 April 2013);

(b) "I acknowledge the quality of the work undertaken by UNCTAD…Obviously the Investment Policy Review is a most valuable source of information and recommendations that demonstrates the usefulness of the Investment Policy Framework for Sustainable Development at a time where we brainstorm on the post-2015 development agenda." (Mr. François Riegert, Permanent Representative of France, 30 April 2013);

(c) "The Investment Policy Review provides very valuable insights which will help us improve the investment environment…in fact we have already taken steps to implement its recommendations." (Mr. Norovyn Altankhuyag, Prime Minister of Mongolia, 25 March 2013);

(d) "The IPR [of Mozambique] recommendations will be instrumental in improving Mozambique's business environment and in attracting more private investment to accelerate social and economic development". (Ms. Amelia Nakhare, Deputy Minister of Planning and Development, Mozambique, 30 April 2013);

(e) "The Landlocked Developing Countries Group wishes to commend UNCTAD for their [work] on Investment Policy Reviews (IPRs), which have supported developing countries to create the conditions to strengthen the environment for investment." (Ambassador Federico González, Permanent Representative of Paraguay on behalf of the Landlocked Developing Countries Group);

(f) "UNCTAD's contribution directly supported information- and knowledge-sharing among the Task Force members and assisted [the] Parties and Observers [of the WHO Framework Convention on Tobacco Control] by increasing their capacity to effectively implement the Convention in the face of challenges posed by aspects of international trade and investment agreements." (Kate Lannan, Senior Legal Officer, WHO Framework Convention on Tobacco Control, Workshop on Trade-related Issues, March 2012);

(g) "UNCTAD's contribution to the development of a continuous dialogue between the academia, IIA negotiators and NGOs in the field of investment rulemaking is highly appreciated." (Mr. Aslan Akpinar, Foreign Trade Expert, Directorate General of Incentives and Foreign Investment, Turkey, WIF IIA Conference, April 2012).

219. The Group of Eight Summit Declaration of 2007 (Heiligendamm, Germany) recognized that IPRs and follow-up actions were "valuable mechanisms" for assessment of the investment climate. The outcome of the Group of Eight Muskoka Summit in Canada (25–26 June 2010) reaffirmed the commitment of the Group of Eight and Group of Five L'Aquila Summit in Italy, which commended the Division's contribution to international deliberation on the development dimension of investment policies. At the fifty-ninth session of the UNCTAD Trade and Development Board in September 2012, IPRs were praised as highly relevant for government officials, particularly for identifying economic sectors and promoting foreign investment in industries with potential for growth.

2. Implementation of IPR recommendations

220. Another benchmark of the impact of IPRs is the extent to which governments themselves find the recommendations useful and have implemented them.

221. The implementation reports prepared by UNCTAD (Egypt, Ethiopia, Ghana, Kenya, Lesotho, Rwanda, United Republic of Tanzania and Uganda) showed on average, a good to strong implementation record, increased interest by existing investors and increased capacity to market investment opportunities. In many cases, these have been accompanied by significant increases in FDI inflows. The findings of the implementation reports are complemented by additional desk research showing that in other IPR beneficiary countries, many of the recommendations have indeed been taken on board.

222. Based on its research, UNCTAD can show that more than 220 IPR recommendations have been adopted by beneficiary countries. Certain key areas figure prominently as IPR-implemented recommendations, especially those concerning promotion and facilitation of investment, fiscal policy, public governance and institutional setting, as well as concessioning and public–private partnerships for infrastructure development. Another area also of importance relates to recommendations dealing with sector-specific policy advice.

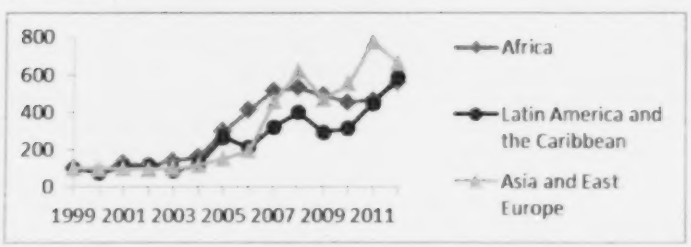
223. About 40 per cent of IPR-related recommendations were implemented with the assistance of UNCTAD. The assistance provided by UNCTAD has taken different forms, including advisory services on policy, legal and regulatory matters. These activities have led to the creation of an investment promotion agency in Burundi and the Presidential Council on Investment in Burkina Faso, the adoption of a model BIT in the Dominican Republic and in Sierra Leone, the revision of the mining legislation in Peru and Guatemala, the modernization of the investment promotion laws in Belarus and Kenya, the formulation of an investment policy for Lesotho, and the adoption of a skills attraction and dissemination programme in Rwanda.

3. Direct impact on investment flows and improvement of the investment environment

224. IPR countries across different regions experienced increases – in some cases sharp ones – in FDI inflows (figure 1). While these increases partly reflect the ongoing internationalization of production, they were also driven by greater openness towards foreign investment and more importantly by an improved investment framework due to effective reforms. In addition, African LDCs that have undergone an IPR experienced lower volatility in FDI inflows between 1999 and 2012 (figure 2). While a causal relationship between FDI flows and the implementation of IPR recommendations cannot be directly assumed from the patterns observed, it nonetheless points to the fact that these countries were ready and willing to reform their investment climate.

Figure 1

Foreign direct investment flows to IPR countries on the rise 1999–2012 (1999 = 100)



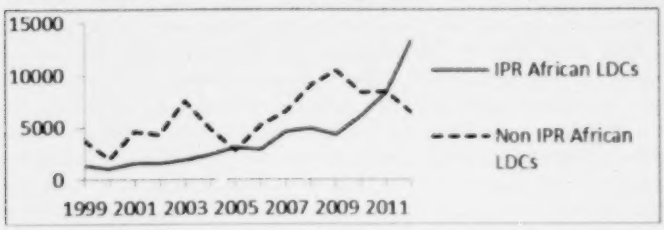
225. Furthermore, a look at FDI performance by country also suggests an overall positive impact of IPRs. The 21 countries for which an IPR was published more than three years ago have indeed experienced an increase in FDI inflows. For 13 of these countries, such an increase has been dramatic, with FDI inflows having more than doubled in the following

years. For example, FDI to Rwanda soared from $14 million in 2005 to an average of $75 million between 2006 and 2010. Other examples of countries where an IPR was followed by a significant increase in FDI inflows include Benin, Ghana, Viet Nam and Zambia.

Figure 2

Foreign direct investment flows to IPR countries display lower volatility 1999–2012

(Billions of dollars)



226. A different and perhaps more direct way of looking at the impact of IPRs over the years is to take stock of their incidence on national policies and on ensuing reforms to the investment climate. This report contains several references to the policy reforms adopted by IPR countries and the implementation of IPR recommendations. The World Bank's international Doing Business indicators confirm the reform drive of IPR countries. For instance, among the 38 top reformers in the Doing Business indicators between 2005 and 2012, 7 of them are IPR countries.[4]

227. Another way to attest to the overwhelming expression of interest in the IPRs are the number of requests for follow-up technical assistance as well as the number of countries that have requested to benefit from the programme. Finally, the programme also included training and workshop events. In those cases, the evaluations of participant countries indicate throughout the sustained, positive impact of the work of UNCTAD in the area of formulating and implementing investment policies.

228. In future assessments of the IPR programme, the framework developed by UNCTAD together with UNDP, the International Labour Organization (ILO), OECD and the World Bank, in the context of the agenda of the Group of 20, should prove useful to evaluate the impact of investment, and FDI in particular, in terms of its contribution to economic and social development.

229. The 2013 results by country are as follows:

(a) The IPR of Bangladesh focused on attracting FDI in infrastructure through public–private partnerships (PPPs). The IPR identifies, in addition to providing a thorough analysis of the investment environment, the role that FDI could play in helping achieve the country's economic goals; the specific areas where FDI could make a strong contribution and the actions, measures and reforms that the Government ought to put in place in order to promote the kind of FDI that will contribute to Bangladesh's sustainable development in line with the long-term development strategy, *Vision 2021*. The draft report was presented at a national workshop, which gathered more than 80 representatives from public administration, the business sector, development organizations and the local media in Dhaka in March 2013. The Minister for Industries welcomed the recommendations of the IPR and committed to implement them. The meeting received extensive coverage in local

[4] Based on figure 1.9, Who advanced the most in closing the gap to the frontier? *Doing Business in a More Transparent World*, World Bank, 2012.

media. Following the workshop, UNCTAD completed the report and published it. It will be presented at an intergovernmental meeting in 2014;

(b) The IPR of Djibouti provided an in-depth analysis of the investment environment and proposed an overall strategy to attract investment, FDI in particular, to stimulate private sector development. The draft report was presented at a national workshop in January 2013, when more than 100 government officials, private sector representatives and development partners discussed its key recommendations. Once published, the IPR was discussed at the fifth session of the Commission on Investment, Enterprise and Development in April 2013. Led by the Minister for Commerce, the Government delegation welcomed the IPR and endorsed its recommendations. The Government expressed its desire to benefit from UNCTAD technical assistance to implement the recommendations, in particular the drafting of a new investment law, the preparation of an electronic investment guide and building capacity for investment promotion. This well-attended event also provided the opportunity for a business-networking event organized in cooperation with the Swiss–African Business Circle. Many investors took part in this event (more than 30), including large corporations such as Deutsche Bank, DuPont International, KPMG, Cotecna and others. The feedback received from participants was extremely positive;

(c) The IPR of Mozambique addresses issues such as the need to reduce reliance on mega-projects for FDI attraction and to maximize the impact of these mega-projects by effectively exploiting opportunities for spillovers and linkages. The IPR was presented during the fifth session of the Commission on Investment, Enterprise and Development in April 2013. The Government of Mozambique was represented by a high-level delegation led by the Deputy Minister for Planning and Development. She welcomed the IPR and endorsed its recommendations, stressing that they represented a very useful tool for Mozambique's investment attraction strategy. The Government also indicated that it wished to benefit from UNCTAD technical assistance to implement the recommendations. The event was well attended and also provided an opportunity for a business-networking event organized in cooperation with the Swiss–African Business Circle. Many investors took part in this event (more than 30), including large corporations such as Deutsche Bank, DuPont International, KPMG, Cotecna, and others. The feedback received from participants was extremely positive;

(d) An IPR of the Republic of Congo was launched. The IPR will review the regulatory framework for FDI and also propose a strategy to attract investment in agricultural production and transformation. Following an exploratory mission that took place in June 2013, a fact-finding mission was undertaken in September. UNCTAD in cooperation with the UNDP Office and the Ministry of Economy, Finance, Planning and Integration, organized a workshop to provide information on the IPR process and its expected outcomes to national and international stakeholders. The workshop was well attended and widely reported in the local media, which facilitated the organization of subsequent meetings. The IPR team is drafting the report that should be ready for a national workshop in early 2014;

(e) An IPR of Kyrgyzstan was also launched. At the request of the Government, the report will review the legal and regulatory framework for investment and provide the country with specific policy recommendations to improve FDI attractiveness and increase benefits derived from it. An exploratory mission was carried out in November 2013 in Bishkek to gather relevant information to start drafting the report and define its specific strategic focus in cooperation with Government. The mission agreed with the Government that the IPR would contain a focus on adapting investment policies to the requirements of ongoing regional integration processes, in particular the country's accession to the customs union between the Russian Federation, Belarus and Kazakhstan;

(f) UNCTAD also started, at the request of the Government, the preparation of the IPR of the Republic of Sudan. In addition to reviewing the legal and regulatory framework for investment, the IPR will propose a strategy to improve the institutional setting for investment promotion with a view to fostering coherence and coordination. The UNCTAD team is preparing the fact-finding mission to be conducted in Khartoum in early 2014;

(g) The Implementation Report of Kenya was launched at an event organized by KenInvest in Nairobi in June 2013. The meeting included high-level representatives of the Government and the private sector. The discussion highlighted the relevance of the IPR policy recommendations which should be implemented by the Government. The meeting was also useful in defining define a number of priority needs where UNCTAD could provide further technical assistance. This includes elaborating a national investment policy, building capacity to improve the collection and analysis of FDI statistics, strengthening the capacity for promoting FDI in green and other growth sectors, and cooperating to develop an electronically based investment guide;

(h) The Investment Policy Review of Lesotho was completed in 2003. At the request of the Government, UNCTAD prepared an implementation report and assessed the degree to which the IPR recommendations were applied. A fact-finding mission was carried out in May 2013 to gather relevant information and discuss with Government officials the country's objectives in terms of its FDI policy. As a result of the mission, UNCTAD, in cooperation with the UNDP Office in Lesotho, prepared three documents: the Implementation Report of the IPR of Lesotho, the draft National Investment Policy of Lesotho, and a memorandum suggesting further improvements to the country's investment environment. The three documents were discussed with Government officials at a high-level national workshop in November 2013. The Minister for Trade and Industry, Cooperatives and Marketing, the Minister for Communications, Science and Technology, as well as several representatives of the international community, participated in the event. The Government committed to move forward with the objective of improving the investment environment, including the need to better coordinate and align future policies between all ministries. In this regard, the draft National Investment Policy, as well as the additional ideas and recommendations provided by UNCTAD, were considered to be well aligned with the National Strategic Development Plan of Lesotho and would contribute to move the agenda forward;

(i) Also in 2013, UNCTAD started the preparation of the implementation report of Colombia, based on the IPR published in 2006. Colombia has advanced remarkably in implementing the IPR recommendations, particularly in terms of regulatory reform by adopting modern legislation in line with international best practices. Further efforts are, however, required to strengthen capacity to effectively implement the existing laws and regulations. The draft report, based on a fact-finding mission that took place in October 2013 in Bogota, will be shared with the Government by mid–November for comments. Once incorporated, the report will be published in early 2014 and serve a basis to discuss with the Government additional measures to improve the investment environment;

(j) UNCTAD has also launched, at the request of Government, the preparation of the implementation report of Zambia. A fact-finding mission was conducted in Lusaka in September 2013. The findings show that significant progress in implementing IPR recommendations was recorded in areas such as business facilitation and enterprise development, access to finance and macroeconomic stability, as well as in terms of improved infrastructure and service. However, in some policy areas, reforms have lagged. A number of IPR recommendations, especially those aimed at fostering economic diversification towards manufacturing and services, have been partially implemented. The outcome of the implementation report will be used to develop an additional programme of

technical assistance for Zambia. The draft report has been shared with Government for comments. Once received, they will be incorporated and the report will be published in early 2014.

230. **Requests from member States for an IPR.** Official requests for IPRs are in the pipeline for 29 countries: Azerbaijan, Armenia, Bahrain, Bhutan, the Plurinational State of Bolivia, Bosnia and Herzegovina, the Central African Republic, Chad, Chile, the Democratic Republic of the Congo, Fiji, Gabon, Guinea-Bissau, Haiti, Kazakhstan, Kuwait, Madagascar, Malawi, Mali, Nicaragua, Oman, Papua New Guinea, the Philippines, Saint Lucia, Suriname, Swaziland, Trinidad and Tobago, Tunisia and Turkmenistan.

B. International investment agreements

231. **Development context**. With a total of 32 new international investment agreements (IIAs) in 2013, (18 bilateral investment treaties (BITs) and 14 "other IIAs"), the IIA universe reached more than 3,220 agreements at the end of the year (2,890 BITs and 332 "other IIAs"). After more than 50 years of continuing growth and expansion, and with many ongoing negotiations and multiple dispute-settlement procedures, the IIA regime today is at a crossroads. As the IIA regime experiences a period of reflection about how to make it work better for States and investors alike, it is characterized by three broad trends.

232. First, the balance is gradually shifting from bilateral to regional treaty making, including through so-called "mega regionals" (for example, the Regional Comprehensive Economic Partnership (RCEP), the Transpacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP)). In addition to potentially marginalizing countries left out of this trend, this regionalism also poses systemic challenges.

233. Second, 2012 saw a new record with at least 58 known new treaty-based investor–State dispute settlement (ISDS) cases initiated against host countries. This is the highest number of known disputes ever filed in one year, bringing the number of known cases to 514 at the end of 2012. Host countries – both developed and developing – have learned that the possibility of bringing ISDS claims can be used by foreign investors in unanticipated ways, as a number of recent cases have challenged measures adopted in the public interest (WIR 2013). All of this has sparked increasing interest in the reform of the ISDS regime.

234. Third, an increasing number of countries are concluding IIAs with novel provisions aimed at rebalancing the rights and obligations between States and investors, as well as ensuring coherence between IIAs and other public policy objectives. In addition, a number of other international investment policy instruments contain sustainable development-enhancing features, all in response to the recognition that inclusive growth and sustainable development need to be placed at the core of international investment policymaking (WIR 2013).

235. These developments are occurring against the background of an increasing public policy discourse about the pros and cons of IIAs, taking place at both the national and international levels. The IIA Work Programme responds to this, aiming to foster the design and implementation of a new generation of investment policies that effectively harnesses foreign direct investment (FDI) for sustainable development and inclusive growth.

236. Along these lines, the IIA Work Programme's efforts in 2013 were devoted to furthering the implementation of the initiatives launched in 2012, notably by mainstreaming the Investment Policy Framework for Sustainable Development (IPFSD) into the Programme's regular activities. This included, for example, broadening the reach of the Section's new, IPFSD-based technical assistance to a larger set of regions, countries and stakeholders; conducting cutting-edge research and analysis, building on and

complementing IPFSD; and boosting outreach to a broad set of stakeholders, as mentioned in the Doha Mandate adopted at UNCTAD XIII.

237. **Objectives and features.** During the last four years, the IIA Programme has been guided by the Accra Accord, which establishes UNCTAD as the key focal point in the United Nations system for dealing with all matters related to IIAs (para. 151). Accordingly, the IIA work programme aims to help foster the sustainable development dimension of the international investment regime. Among other objectives, it focuses on the design and negotiation of IIAs that are more friendly to sustainable development and the prevention and better management of investor–State dispute settlement cases.

238. A key element of all three IIA work dimensions – policy analysis, consensus-building and technical cooperation– is the implementation and dissemination of the newly developed IPFSD. As mandated by the April 2012 Ministerial Round Table of the World Investment Forum and the 2012 World Investment Forum IIA Conference, the IPFSD constitutes the culmination of UNCTAD work on the sustainable development dimension of IIAs and provides the basis for the future work of the Organization in this area.

239. **Outputs.** These are set out below:

1. Research work related to technical assistance

240. *COMESA Investment Report 2013: Foreign Direct Investment and Small and Medium Enterprise Linkages*, October 2013. For the third consecutive year, UNCTAD provided a chapter for the annual *COMESA Investment Report*. The chapter on international investment policy developments was based on chapter III of *WIR 2013*, adjusted to the COMESA region.

241. IIA Annual Survey. The annual IIA survey was launched in early 2013. Thirty-five countries from different regions provided replies. In addition to gathering information on new IIAs and the entry into force of IIAs, countries also reported on the termination of existing BITs.

242. IIA Database. The online IIA database offers a one-stop-shop for country-specific information on BITs and their texts. Its aim is to facilitate the analysis of BITs for stakeholders around the globe, including the staff of the IIA Work Programme itself. Once upgraded, the new online database will not only cover BITs, but also "other IIAs" (other international agreements with investment provisions). It will not only support the storage and accessibility of information, but will also facilitate the collection of information. It will centrally store data using up-to-date technology and a user-friendly interface and will facilitate the retrieval of data for analysis through customized search functions. The public online version will be integrated in the Investment Policy Hub. The trial phase, including with external partners, took place in autumn 2013.

243. IIA Mapping Project. This project builds on the IPFSD and aims to create a comprehensive database of IIAs by analysing individual treaties for 150 elements and variations of IIA provisions. In so doing, the IIA Mapping Project helps deepen the understanding of trends in the substantive and procedural elements of IIAs over time and directly feeds into UNCTAD's ongoing policy research and analysis, as well as its technical assistance activities. Among others, it has been used to analyse the IIAs that were concluded in 2012 (feeding into the 2013 WIR) and the IIAs of select countries (e.g. Democratic Republic of the Congo, Kyrgyzstan, Lesotho and Zambia) for use in the respective country's IPRs.

244. Part of the IIA Mapping Project is carried out through the UNCTAD University Mapping Project, where students, under the supervision of their professors, mapped IIAs, followed by rigorous cross-checking and peer review processes. The University Mapping

Project expands and deepens linkages with students and academia across the world, helps students develop a deeper understanding of IIAs and allows them to receive practical exposure to the research and policy work of UNCTAD and to collaborate with peers and colleagues across the globe.

245. Finally, the five IIA Issues Notes produced during 2013 served as a key input and learning tool for technical assistance and training activities. The five notes are as follows: Recent Developments in Investor–State Dispute Settlement (ISDS), IIA Issues Note, No 1, April 2013; Reform of Investor–State Dispute Settlement: In Search of a Road map , IIA Issues Note, No 2, 2013; The Rise of Regionalism in International Investment Policymaking: Consolidation or Complexity?, IIA Issues Note, No. 3, 2013; International Investment Policymaking in Transition: Challenges and Opportunities of Treaty Renewal, IIA Issues Note, No. 4, 2013; Towards a New Generation of International Investment Policies: UNCTAD's Fresh Approach to Multilateral Investment Policy Making, IIA Issues Note,
No. 5, 2013.

2. Technical cooperation and capacity-building

246. During the last four years, UNCTAD has delivered (a) intensive regional training courses on the negotiation of IIAs and on the management of investor–State dispute settlement (and hybrids between the two); (b) targeted ad hoc technical assistance at the request of member countries and/or regional organizations; and (c) the organization and co-organization of and/or contributions to specific international conferences, including technical assistance activities and seminars on IIA and ISDS issues, organized by others.

247. Following the launching of the IPFSD (2012), technical assistance methods were adapted to the changing global policy environment where the sustainable development contribution of foreign investment and foreign investment policies is paramount. Accordingly, UNCTAD's novel technical assistance is not only taking a legal but also a policy approach. In terms of content, it is aimed at fostering the sustainable development dimension of IIAs and the prevention and better management of investor–State dispute settlement cases. Following its successful launch, the IPFSD is now the basis of UNCTAD IIA-related technical assistance.

(a) Regional training activities

248. Short course for Geneva-based diplomats (Paragraph 166), 6 May 2013, Geneva, Switzerland. This short course was aimed at raising awareness among Geneva-based diplomats about IIAs, ISDS and IPFSD. The course provided an overview of recent trends; discussed different types of IIAs (bilateral, regional, sectoral), their functions and main obligations; and described the workings and challenges of ISDS. The course brought together 32 participants from 25 countries.

249. Regional training for South-East Asian countries in cooperation with the International Institute for Trade Development (ITD) and International Institute for Sustainable Development (IISD), 27–31 May 2013, Bangkok. Following the first editions of the training course, "The New Generation of Investment Policies for Sustainable Development" for Latin American and IDB member countries in 2012, this was the first edition for South-East Asian countries. The course brought together over 20 government participants from 10 countries in the region and 8 from other organizations. An major effort was made to put together IIA negotiators with national investment policy experts from each participating country. The purpose was to emphasize, as done in the IPFSD, the link between the two levels of policymaking. The course was highly interactive, as participants were asked to share their country' recent experience. The success of the training course led

to an agreement between ITD, IISD and UNCTAD to conduct it on an annual basis, resources permitting.

250. Second Regional Training for Transition Economies, in cooperation with IDB and the Ministry of Foreign Trade and Economic Relations, 1–4 October 2013, Sarajevo. This was the fourth of the new generation of UNCTAD training courses and expanded the scope of cooperating institutions on issues related to IIAs to include UNCITRAL, OHCHR and the European Commission. The course brought together 28 government officials from 24 countries (including three self-funded European Union Member countries, Croatia, the Czech Republic and Slovakia) in charge of investment promotion and protection issues. The quality of the participants allowed for a wide coverage of topics, produced in-depth discussions and experience-sharing, and led to a good dialogue with the resource persons.

251. First one-day regional training for developing country PACER[5] Members, in cooperation with IISD and the Office of the Chief Trade Advisor – Pacific Islands Countries (OCTAPIC), 7 November 2013, Jakarta. The one-day, IPFSD-based training course for 15 policymakers from 12 PACER countries allowed participants to complement the experience obtained during the preceding three day IISD/South Centre Annual Forum of Investment Treaty Negotiators. The training was conducted in a highly interactive fashion, applied IPFSD to the model treaty that the PACER countries are preparing with UNCTAD assistance for current and future negotiations, and allowed for an in-depth and demand-driven sharing of experiences and information between the resource persons and the audience.

252. Eighth regional training for Latin American countries, in cooperation with the Organization of American States (OAS) and the Ministry of Trade, Industry and Tourism, 8–22 November 2013, Bogota, Colombia. The training course brought together 23 government officials from 14 countries in charge of FDI promotion and protection issues. This course combined the national and international dimensions of investment policymaking and was preceded by a half-day public event, attracting more than 60 investment and development stakeholders. Particular attention was given to corporate social responsibility, an issue that is high on the policy agenda of the host country and the region.

253. Seventh regional training for African and Arab countries, in cooperation with IDB and the Economic and Social Commission for Western Asia (ESCWA), 10–13 December, Rabat. The course brought together 41 government officials and 11 resource persons from 25 countries in charge of investment promotion and protection issues. It gave ample space to topical issues, such as the new European Union investment mandate and its implications for Arab and African countries in the context of ongoing negotiations between the European Union and third parties on Deep and Comprehensive Free Trade Agreements (DCFTAs) and economic partnership agreements. Several countries (e.g. Egypt, Gambia, Nigeria, Morocco and Turkey) informed the audience about how UNCTAD and its IPFSD had influenced their investment policymaking process. Governments' great appreciation of the training is also evident from the fact that several countries (e.g. Egypt, Nigeria and – as a non-African or Arab "visitor"– Turkey) financed the participation of one or two additional government officials, in addition to those participants already benefiting from the organizers' sponsorship.

254. Second one-day regional training for developing country PACER Members and New Zealand, in cooperation with OCTAPIC, 21 November 2013, Auckland. The second

[5] Pacific Agreement on Closer Economic Relations. Developing country members include the Cook Islands, the Federated States of Micronesia, Kiribati, Nauru, Niue, Palau, Papua New Guinea, the Marshall Islands, Samoa, the Solomon Islands, Tonga, Tuvalu and Vanuatu.

day-long IPFSD-based training course for PACER IIA negotiators (this time benefiting 46 policymakers from 12 countries, including New Zealand) was held back to back to the November 2013 round for PACER plus negotiations. It aimed to build on the first training course and the hands-on experience gained in IIA negotiations by offering an initial overview of a large number of IIA-related issues. Engaging an academic resource person from the region ensured the cost-effective and high-quality delivery of this training course.

(b) Regional or other trainings, organized by others, with UNCTAD participation

255. COMESA/IISD workshop on international investment treaties and dispute settlement, 25–27 March 2013, Lusaka. World Trade Institute (WTI) Summer Academy, 22–26 July 2013, Bern.

(c) Ad hoc technical assistance

256. UNCTAD delivers a range of tailored and demand-driven advisory services to member States, including advisory memos on key issues in IIAs, comments on model IIAs, comments on national investment laws/policies and ad hoc advisory services or face-to-face training sessions on IIA issues, or combinations thereof. All of these activities are conducted on the basis of the IPFSD, with the overall objectives of assisting policymakers identify options to better harness their country's IIA regime for sustainable development. In 2013, the following ad hoc technical assistance activities were carried out:

257. Advisory memos on key issues in IIAs. Ad hoc assistance was provided to Comoros on issues related to specific BIT provisions and their sustainable development implications. Comments were provided on the draft model IIAs of Angola, Egypt, Nigeria, the PACER countries and Sri Lanka. These comments are offered with a view to identifying options for maximizing the sustainable development dimension of the country's model IIAs.

258. Comments on national investment laws/policies. UNCTAD assisted Tunisia by reviewing the new Tunisian draft investment code with a view to enhancing its clarity, strengthening its sustainable development dimension, and ensuring its coherence with IIAs signed by Tunisia at the bilateral, regional and multilateral levels. This assistance was followed by a face-to-face working session (15–19 July 2013, Geneva, Switzerland). Ad hoc advisory services and face-to-face training sessions on IIA issues. UNCTAD offered face-to-face training sessions for example, to ASEAN member States (22 October 2013), Indonesia (23 October 2013) and Nigeria (23–24 September). The intensive face-to-face training sessions for officials in charge of negotiating IIAs emphasize practical and concrete windows of opportunity to strengthen the sustainable development dimension of the country's IIA engagements. Meetings that go beyond advisory services, but also discuss future areas of cooperation and foster synergy were held with the Economic Commission for Africa (16 September, Geneva, Switzerland) and the African Development Bank (24 September 2013, Geneva, Switzerland).

259. IPFSD outreach and communication. With a view to ensuring that the newly launched IPFSD, as well as other IIA-related work would be adequately brought to the attention of investment and development stakeholder, the following activities were undertaken in 2013:

(a) UNCTAD's Investment Policy Hub hosted 10 "featured discussions" on timely, policy-relevant and thought-provoking topics;

(b) IIA and IPFSD-related expertise was offered to at least 14 intergovernmental meetings co-organized by UNCTAD[6] where a public discourse on IIAs was held;

(c) IIA and IPFSD-related expertise was provided to at least 18 academic or policy events[7] where a public discourse on IIAs was held.

260. **Overall results and impact.** UNCTAD contributed towards fostering sustainable development through IIAs that maximize the development benefits they could generate, while minimizing the potential costs.

261. Altogether, in 2013, 185 countries/territories benefited from participation in events organized by or with contributions from the UNCTAD IIA Work Programme. These included 141 developing countries/territories (of which 41 were LDCs), 25 countries with economies in transition and 19 developed countries. The breakdown is as follows:

(a) 116 countries (equivalent to 237 individuals) benefited from the IIA technical assistance through seven regional or other training courses, organized or co-organized by UNCTAD;

(b) 28 countries (equivalent to 108 individuals) benefited from the IIA technical assistance expertise through training courses organized by others, to which UNCTAD contributed;

(c) 19 countries (including one regional grouping) benefited from the IIA advisory services;

(d) Three countries and one region (ASEAN) benefited from face-to-face ad hoc advisory services on IIA negotiations during their visits to Geneva;

(e) 397 Geneva-based delegates and other IIA stakeholders increased their knowledge of IIAs and sustainable development through their participation in three UNCTAD intergovernmental events.

262. A direct link between UNCTAD work on IIAs, a country's enhanced attractiveness for foreign investment that enhances sustainable development and the country's ability to reap the attendant benefits is, by nature, hard to discern. However, all of the nine IIAs (two BITs and seven "other IIAs") concluded in 2013 for which the text is currently available, contain sustainable-development oriented features or treaty elements that aim more broadly at preserving regulatory space for public policies as proposed by the IPFSD.[8] The relevance, quality and efficiency of the IIA Work Programme can be seen in the consistently positive evaluations it receives for its research and analysis, its technical assistance and capacity-building activities and its support to intergovernmental meetings. IIA research and analysis products, as well as its technical assistance activities, directly respond to concrete needs of policymakers:

263. "In a fast-evolving global environment, investment policy formulation is critical to any economy's growth and development. I hope that most, if not all developing countries would be able to use the tools and advice provided by UNCTAD in its Investment Policy Framework for Sustainable Development." (Mr. Rudranath Indarsingh, Minister of State, Ministry of Finance and the Economy, Port of Spain, 14 February 2013.)

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[6] Three events were served through video conferencing, the other by sending a staff member.

[7] The agreements reviewed include two BITs (Serbia–Morocco BIT; Serbia–UAE BIT) and seven "other IIAs" (Canada–Honduras FTA; China–Switzerland FTA; Colombia–Costa Rica FTA; Colombia–Israel FTA; Colombia–Panama FTA; Colombia–Republic of Korea FTA; and EFTA–Costa Rica–Panama FTA).

[8] Three events were served through video conferencing, the other by sending a staff member.

264. "UNCTAD's Investment Policy Framework for Sustainable Development (IPFSD) presents an excellent platform for drafting more balanced and sustainable development-friendly agreements and integrating them into broader national development objectives and investment promotion strategies." (Mr. Midhat Salic, Assistant Minister, Ministry of Foreign Trade and Economic Relations, Bosnia and Herzegovina, at the regional training for countries with economies in transition, Sarajevo, October 2013.)

265. In addition to individual expressions of appreciation, an impressive number of downloads show the relevance of the publications of the IIA Work Programme, as well as of the IPFSD.

266. **Quality.** Technical assistance activities receive strong statements of appreciation and excellent evaluations. The IPFSD is now also being used in UNCTAD capacity-building and technical assistance activities on IIAs. The importance, quality and usefulness of IIA-related training courses were acknowledged by numerous stakeholders.

267. "Las reflexiones alcanzadas durante el taller relacionadas con temas actuales … no sólo dieron cuenta de la amplia y distinguida experiencia de la UNCTAD, en la organización de este tipo de talleres, sino que también fueron esenciales para ilustrar a los funcionarios del gobierno colombiano y de otros países el manejo de controversias entre inversionistas y Estados y sus implicaciones." (Ms. Claudia Candela Bello, Vice-Minister for Foreign Trade, Colombia, in connection with the regional training for Latin America, Bogota, November 2013.

268. "As in previous times, I have been informed that the programme has achieved a tremendous success, and was well received by the participants of our member countries. I am really grateful for the role played by UNCTAD's experts in the success of this training course… ." (Mr. Abdel-Rahman Taha, CEO, Islamic Corporation for the Insurance of Investment and Expert Credit, Islamic Development Bank Group, Jeddah, Saudi Arabia, in connection with the regional training course for African and Arab countries, Rabat, December 2013.

269. The quality of the training courses of the IIA Work Programme is also evident from the feedback obtained at the conclusion of the relevant training courses.

270. The efficiency of the technical assistance approach applied by the IIA Work Programme is strengthen by the fact that the courses are given on a regional level, allowing the pooling of resources and the sharing of experiences between participating countries, with a local or regional partner.

271. Moreover, as shown in the 2013 DIAE results and impact report, the IIA training programmes have yielded input–output cost benefits that are more cost effective and create more value for money than benchmarked peer institution programmes.[9]

VIII. Cluster VIII: Investment facilitation

Lead division: Division on Investment and Enterprise

272. The programmes under this cluster aim (table 8) at strengthening the capacity of developing countries to create and manage the policy and institutional framework for

[9] Division on Investment and Enterprise, *Results and Impact Report 2013* (UNCTAD/DIAE/2013/2).

attracting and retaining foreign investment and developing an operating climate that maximizes the contribution of FDI to development objectives.

Table 8
Investment facilitation

Project number	*Short title*	*Period covered*	*Source of fund*
ALB/0T/BCT	"Delivering as one" Albania 2013 project	2012–	"One United Nations"
ARG/0T/BAD	Transparencia en los trámites de inversión en Lomas de Zamora (e-regulations)	2011–2013	Argentina
CMR/0T/BAC	Facilitation des affaires au Cameroon (e-regulations Cameroon)	2011–	Cameroon, France
CMR/0T/CBK	Projet de facilitation des affaires au Cameroon – e-regulations, phase 2	2013–	UNDP
CVI/0T/9AL	Delivering as one, Cabo Verde	2009–	"One United Nations"
ELS/0T/CAZ	United Nations to United Nations Agency Contribution Agreement. DaO Joint Programme – El Salvador project	2013–	UNDP
PAN/0T/CAY	Delivering as one, United Nations to United Nations Agency Contribution Agreement – Panama project	2013–2013	UNDP
VIE/0T/CAF	Transparency of investment procedures in Viet Nam – e-regulations phase III (Viet Nam national component)	2013–	Luxembourg
VIE/0T/CAG	Transparency of investment procedures in Viet Nam – e-regulations phase III (UNCTAD international component)	2013–	Luxembourg
MOR/0T/7AI	Promotion des investissements dans la région de l'Oriental du Maroc	2007–	Morocco
MOZ/0T/9AZ	Delivering as one, Mozambique	2009–2013	"One United Nations"
PRC/0T/BAZ	Facilitation des affaires en République du Congo (e-regulations Congo)	2012–	Congo
RWA/0T/BAO	Delivering as one, Rwanda project, economic growth	2011–	"One United Nations"
URT/0T/BBM	Delivering as one, United Republic of Tanzania project	2011–	"One United Nations"
INT/0T/1BN	Capacity-building in investment promotion	2001–	Multi-donor
INT/0T/6AT	Investment gateway system	2006–	Multi-donor
INT/0T/BCZ	Blended learning courses on TRIPS	2012–	Germany

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/CAO	UNIDO–UNCTAD collaboration on a global project to strengthen pharmaceutical production in developing countries and LDCs	2013–	UNIDO
GLO/0T/ABG	Technical assistance in developing countries in creating prospects for the domestic private sector in implementing the TRIPS Agreement	2010–	Germany
RAF/0T/BAA	Facilitation des affaires dans les pays de l'UEMOA (e-regulations UEMOA)	2011–	Luxembourg
RLA/0T/BAB	Facilitation des affaires dans les pays de la SIECA (e-regulations SIECA)	2011–	Luxembourg
ROA-2263 (AJ)	Enhancing the capacities of landlocked developing countries to attract FDI for the development and modernization of productive capacities	2011–	Development Account
ROA-2907 (N8)	Building national capacities for promoting foreign direct investment in green and other growth sectors	2013–	Development Account

Abbreviations: DFID, Department for International Development; UEMOA, West African Economic and Monetary Union; SIECA, Central American Economic Integration Secretariat.

[a] Operationally but not financially completed or fully completed in 2013.

A. Investment promotion

273. **Development context.** With the globalization of economic activities, more and more developing countries are seeking FDI. This has resulted in proactive policies by these countries to attract and retain foreign investment, including low-carbon investment, in order to generate employment and improve access to technology and know-how, as well as management and marketing skills.

274. **Objectives and features.** To assist developing countries in strengthening their capacity to create and manage the policy and institutional framework for attracting and retaining foreign investment and in developing an operating climate in which FDI and international business can thrive and contribute to sustainable development. The investment promotion programme provides advisory services and training, and prepares publications related to investment policies, legislation and regulations, institutional arrangements and good governance to attract FDI, investment promotion strategies and investment facilitation practices. Special attention is being paid to strengthening investment promotion programmes in LDCs, LLDCs and small island developing States.

275. **Outputs.** In 2013, the main outputs of the investment promotion programme are listed below.

1. Advisory services

276. Myanmar: The provision of advice and capacity-building on the analysis of FDI projects that are submitted for approval to the Myanmar Investment Commission. Training provided in Nay Pyi Taw included a one-day workshop on best practices in FDI promotion

(9 April 2013) for directors of 10 Myanmar ministries and two hands-on working sessions (10 April 2013) with the Directorate of Investment and Company Administration (DICA) on FDI project screening and monitoring and evaluation. In total, 25 senior staff received training. The UNCTAD advisory report for DICA focused on analysing the economic costs and benefits of investment projects.

277. Nigeria: On 8 and 9 July 2013, technical advice was provided to a high-level mission of the Nigerian Federal Ministry of Industry, Trade and Investment (FMITI) led by the Executive Secretary of the Nigerian Investment Promotion Commission. The discussions focused on the establishment of a new department of investment in FMITI.

278. The UNCTAD Investment Promotion Awards 2013 were given for excellence in attracting quality export-oriented FDI projects that have helped local economies improve export competiveness. Based on the results of a global survey, three equal awards were given to the Jamaica Promotions Corporation (Jamaica), the Investment and Development Agency of Latvia (Latvia), and the Public Authority for Investment Promotion and Export Development (Oman). In 2013, UNCTAD also assisted the China Council for International Investment Promotion in the selection of award winners for best practices among subnational Chinese IPAs.

279. In 2013, development of an online UNCTAD platform on green FDI was launched. The platform will provide IPAs worldwide with a repository of green investment promotion knowledge and tools to strengthen IPA networking.

2. Publications and training material

280. Three publications related to investment promotion and facilitation were published or prepared in 2013:

(a) *Promoting Low-carbon Investment, Investment Advisory Series, Series A, No. 7* was published in 2013. The guide aims to help investment promotion agencies (IPAs) in developing countries promote low-carbon investment through practical guidelines for identifying, targeting and servicing investors. In 60 pages, the publication provides an overview of low-carbon investment opportunities, policies and strategies to promote green investment as well as case studies from Brazil, China, Denmark, the Netherlands, Sweden and Zambia;

(b) An update of the 2009 *Investment Guide to the Silk Road* was finalized in 2013, covering five countries in Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) and four western provinces in China. The Guide will be printed and launched in 2014;

(c) The IPA Observer No. 2, *Investment Promotion in an Era of GVCs: Maximizing Impact through Business Linkages* was also published in 2013.

3. Capacity-building

281. On 2 May 2013, UNCTAD held in Geneva an interregional capacity-building workshop, entitled "Seizing Green Investment Opportunities: The Role of IPAs", in conjunction with the fifth session of the Investment, Enterprise and Development Commission. The objective of the workshop was to enhance the understanding among IPAs of the global business opportunities and drivers of low-carbon FDI as well as to share success stories and best practices in promoting low-carbon investment. The one-day workshop targeted an audience of investment promotion practitioners worldwide. Over 50 senior government officers and international experts from 34 countries and territories, including representatives from 31 IPAs, participated in the event.

282. On 28 August, UNCTAD organized in Addis Ababa a one-day training workshop for 40 Ethiopian junior diplomats entitled "The role of diplomats in investment promotion and facilitation". The training was part of a three-day programme on the main aspects of economic and business diplomacy. During the course, external practitioners from the national IPA of the United Kingdom and the Dutch embassy in Addis Ababa provided practical examples of diplomats involved in investment promotion. The course was used to pilot the UNCTAD integrated approach to learning, combining an online self-learning distance package as preparatory material followed by a hands-on face-to-face session, including practitioners' best practices, role plays and exercises.

283. On 8 September 2013, UNCTAD organized in cooperation with China's Ministry of Commerce the International Investment Forum at the China International Fair for Investment and Trade in Xiamen, China. The Secretary-General of UNCTAD, Mr. Mukhisa Kituyi, was keynote speaker at the event in which over 1,000 delegates participated, including senior government officials and representatives of firms from 130 countries.

284. On 6–8 November 2013, a regional capacity-building workshop for Africa, entitled "Seizing the Low-carbon Investment Opportunity in Africa: The Role of IPAs" was held in Durban, South Africa. The objective of the workshop was to enhance the understanding among IPAs of business opportunity for low-carbon FDI in Africa, drivers behind these FDI projects and the role of IPAs in attracting green investments. In total, 39 senior government officials and international experts, including representatives of IPAs from 14 African countries participated in the event.

285. In the context of the UNCTAD Paragraph 166 course on key issues on the international economic agenda, training was provided at UNCTAD headquarters (6 December 2013) to 16 Geneva-based delegates on THE UNCTAD investment promotion programme, the role of IPAs and the promotion of green FDI.

4. International meetings and networking events

286. In 2013, the SmartPromotionNetwork (SPN) monthly online service for IPAs continued. The newsflash included the latest on FDI trends, investment promotion strategies and practices, and upcoming events and publications of interest to investment promotion professionals and policymakers.

287. On 2 August, UNCTAD made a presentation on investment opportunities in Silk Road countries at the sixth UNWTO International Meeting on Silk Road Tourism in Dunhuang, Gansu, China. The presentation was given to an audience of 200 senior government officials and business executives from China and Central Asian countries.

288. Contributions to global and regional investment promotion agency forums and other organizations included the World Investment Conference of the World Association of Investment Promotion Agencies in Geneva (12 February 2013), the Nordic Forum for IPAs in London (26–27 June 2013), the Annual General Assembly Conference of the Caribbean Association of Investment Promotion Agencies in Belize (21–22 November 2013) and the World Trade Institute in Bern (22 March 2013).

289. **Overall results and impact.** In 2013, 170 investment promotion officers and policymakers from over 50 countries and territories received intense UNCTAD investment promotion training, and well over 1,400 government officials, private sector representatives and other investment stakeholders participated in investment promotion events that UNCTAD co-organized or provided substantive contributions to. More than 30 per cent of participants in the training workshops were women. The training and meetings provided IPA officials and diplomats from developing countries insights into the latest practices and techniques in attracting and facilitating FDI and the creation of new investment opportunities, especially in the area of sustainable investment, including green

FDI. Training workshops received very positive feedback with participants indicating that they could apply the learning to their work.

290. The new guide *Promoting Low-carbon Investment* (No. 7, Investment Advisory Series A, brings together experiences that UNCTAD has gathered over the past three years through research, interaction with best-practice IPAs and the organization of seminars on the subject. The guide is a unique tool and well appreciated by IPAs from developing countries. It is used in UNCTAD training workshops and has been distributed to 292 IPAs worldwide and 376 permanent missions to the United Nations and other stakeholders.

291. Over 2,000 investment stakeholders received the monthly SPN newsflashes, including 400 CEOs and senior officials from national and subnational IPAs. SPN issues from 2013 can be downloaded from UNCTAD's green FDI website.

292. The Nigerian and Myanmar Governments have expressed their appreciation for UNCTAD advisory services on investment promotion related institutional and procedural matters. In Myanmar, the Government adopted the UNCTAD recommendations, and in April 2013 it incorporated the recommended cost–benefit methodology in the investor application process and in its internal procedures.

B. E-regulations and eRegistrations

293. **Development context**. UNCTAD has developed a series of web-based e-government systems to help developing countries and countries in transition improve their investment and business climate through transparency, simplification and automation of rules and procedures relating to enterprise creation and operations: The e-regulations system is a turnkey e-goverment software allowing administrations to publish their procedures online. Once procedures are clarified through the e-regulations system, a set of "10 principles of simplification of administrative procedures" helps countries cut red tape and reduce the duration, cost and complexity of business-related procedures without changing the laws. Finally, another e-government system, called eRegistrations, is installed to computerize the company creation process.

294. **Objectives and features.** All tools and services developed by the Business Facilitation Programme aim at (a) improving the business/investment climate and legal frameworks; (b) lowering administrative barriers to business development, in particular for small businesses; (c) increasing domestic and foreign investment; and (d) promoting good governance and reducing corruption.

295. **Outputs.** The scope of the e-regulations system has been extended to present online more administrative procedures related to business operations in Argentina (two provincial systems), Benin, Burkina Faso, El Salvador, Guatemala, Côte d'Ivoire, Nicaragua, Panama, Rwanda and the United Republic of Tanzania. In Viet Nam, in addition to Hanoi, Da Nang and Ho Chi Minh City, four new provinces have started implementing the e-regulations system. A total of 2,837 procedures are documented in national e-regulations systems, with 7,798 steps (interactions between the user and the administration), 8,381 forms and documents and 2,085 norms and laws accessible online. National capacity-building sessions were held in Argentina, El Salvador, Guatemala, Côte d'Ivoire, Nicaragua, Panama and the United Republic of Tanzania.

296. **Results.** Activities carried out by the programme had the following impact:

297. **Transparency.** Procedures documented in the e-regulations system are completely transparent and widely accessible in all countries where the system is operational. Over 1,443.000 people visited the national e-regulations sites around the globe in 2013.

298. **Simplification.** Documentation and clarification of procedures in the e-regulations system provided the possibility for the administrations in several countries to review the procedures from the user's point of view and identify the possibilities of simplification. In El Salvador the process to register local companies has been reduced from 16 to 3 steps, 10 forms required by different administrations were merged into one, and the duration of the process dropped from 8 to maximum 3 days. In the United Republic of Tanzania, the number of steps for creating a company was reduced from 20 to 2 and the duration from 30 to maximum 10 days. In Lomas de Zamora (province of Buenos Aires) the procedure for registering a business dropped from 7 to 3 steps and the processing time from 82 days to a maximum 3 days. In Honduras individual entrepreneurs are no longer requested to submit deeds for registration. This requirement, in place for the past 40 years, was removed after a thorough study of the commercial code, where no legal obligation was found for individual entrepreneurs to submit a deed for business registration. As a result, the number of steps was reduced from 11 to 7.

299. Automation of procedures with the eRegistrations system: eRegistrations is an e-government system, designed to set up electronic single windows and to computerize simple or complex administrative procedures. It was successfully installed in El Salvador in 2012, allowing the simultaneous inscription of individual entrepreneurs at all mandatory registries online. In 2013, the scope of the system was extended to company registration. More than 6,000 companies and individual entrepreneurs are registered in the system. Following the successful experience of El Salvador, Guatemala implemented a single window (http://minegocio.gt/) for the simultaneous registration of companies at five institutions. The installation of this system was a major positive contribution to the World Bank's 2014 *Doing Business* report, where Guatemala gained 31 points.[10]

300. In Lomas de Zamora, a sophisticated single window was implemented for online business registration (http://ldz.eregistrations.org/). Thanks to an interactive guide, the system shows a tailor-made list of mandatory inscriptions based on the location, activity and size of the business. This unrivalled system will be inaugurated in May 2014.

301. In Côte d'Ivoire, the prototype of the online registration system for individual entrepreneurs was approved by all four participating institutions (http://ci.eregistrations.org/public/) and will be installed subject to availability of funds.

302. **Exchange of good practices and South–South cooperation.** National experts in Viet Nam, Latin America and Africa have trained new civil servants of countries or provinces on the use of the e-regulations system and on UNCTAD's methodology for the simplification of procedures and automation. National experts presented country e-regulations and eRegistrations systems in several regional and international seminars and expert meetings.

303. **Good governance and public participation.** The programme encourages public–private dialogue on improving the regulatory framework and its application by national administrations. Citizens, foreign and local investors have extensively used the e-regulations integrated customer relationship management system for sending simplification ideas or signalling improper application of procedures. In El Salvador, Guatemala, Lomas de Zamora and the United Republic of Tanzania, special units have been created within the administrations to handle users' requests and claims in the shortest possible time.

[10] http://www.doingbusiness.org/data/exploreeconomies/guatemala.

1. Investment guides

304. **Development Context.** The Investment Guides programme provides developing country governments with the necessary capacity to better market their countries or territories as investment destinations to the global investment community, so as to attract quality FDI in pursuit of their development goals.

305. **Objectives/features.** iGuides online platforms, designed by UNCTAD and the International Chamber of Commerce (ICC), provide international investors with essential up-to-date information on rules, economic conditions, procedures, business costs and investment opportunities in developing countries. The platforms are developed jointly with beneficiary governments, at their request. Content includes:

(a) Locally available costs. In addition to taxes, social contributions or the state of infrastructure, iGuides provide indicative price ranges regarding wages, rents, consumer goods and transportation costs. This hard-to-find information enables investors to build a basic business model for their projects;

(b) Relevant licences, procedures and useful contacts. iGuides platforms give an overview of procedures and licences required to start a business, obtain work permits, acquire land, clear imported goods, or repatriate funds. Contact persons are also identified within the most useful institutions and offices. iGuides can integrate seamlessly with existing e-regulations systems to provide full information on start-up and business procedures.

(c) Experiences of established investors. Whether the topic is paying taxes, hiring labour or obtaining electricity, iGuides platforms summarize the experiences of established investors and provide case studies of their investment history.

306. During the project, a national iGuides platform is created by UNCTAD for the country. UNCTAD trains the government staff assigned to the project in researching and compiling necessary information, and entering it into the system. Once completed, the platform is made publicly available to investors, and an official launch is organized in the country. At the end of the project implementation, the beneficiary country has its own iGuides platform and trained staff to administer and update it under the continuous guidance of UNCTAD.

307. The iGuides online platforms replace the previous practice of publishing paper investment guides. The new iGuides allow information to be kept up to date by governments and can be accomplished in a third of the time and at half the cost.

308. **Outputs.** iGuides were started and completed in Burundi, Djibouti and Rwanda. iGuides were started and are under way in Nepal and Uganda, to be completed in 2014. A paper investment guide for Bhutan was also completed in 2013. This had been started in 2012 before the decision had been taken to convert to the new online system.

309. **Results.** Unlike sit-on-the-shelf publications, iGuides is web-based only. Any element can be easily updated at any time to reflect changes in legislation, infrastructure, costs or taxes. The iGuides therefore remain relevant and useful to their audience. Furthermore, governments, not UNCTAD, are responsible for researching, inputting and updating databased on information standards and training provided by UNCTAD and ICC. UNCTAD also organizes events for member governments to share experience and improve the product. In 2013, this transfer of capacity benefited two staff in Burundi, four in Djibouti and five in Rwanda. Since their well-attended launches, updates to the guides have been made by each government, showing retained capacity to update the site in an effective manner, and the sites' continued relevance. The guides received extensive press coverage. Individual visitors to the sites numbered 3,140 for Burundi (launched in May), 278 for Djibouti (launched at the end of October) and 6,521 for Rwanda (launched in February).

C. Intellectual property

310. **Development context.** There is increasing recognition that intellectual property (IP) regimes should be well tailored to a country's level of development. Developing countries seek assistance in ensuring that their IP regimes are supportive of specific development objectives, such as public health, the transfer of technology, access to knowledge, investment in certain sectors and innovation.

311. **Objectives and key features.** In response to the mandate received from member States at the ministerial conferences in Accra and Doha, as well as requests received in conjunction with the WIPO Development Agenda and World Health Assembly resolution 61.21 on a global strategy and plan of action on public health, innovation and intellectual property, UNCTAD is implementing a work programme on the development dimensions of intellectual property rights. Under the programme, research and analysis are conducted on trade and development aspects of intellectual property, and consensus-building is facilitated in international discussions on issues at the interface between development, intellectual property and investment.

312. The overall objectives of the UNCTAD work programme on the development dimension of intellectual property rights include deepening the understanding in developing countries of this complex relationship; identifying ways and means of using flexibility in international intellectual property architecture to promote the technological capabilities and other public policy objectives of developing countries; examining the implications of regional and bilateral trade and investment agreements for the intellectual property policies of developing countries; and providing a forum for the exchange of experiences and best practices in the formulation of intellectual property policies oriented towards development.

313. **Major outputs**. The major outputs from this area of support are set out below:

1. Technical assistance: UNCTAD Intellectual Property Unit conducts technical assistance activities with developing countries in the integrated areas of investment, trade and intellectual property.

314. IPRs and local pharmaceutical production and supply capacity of essential medicines. In 2005, UNCTAD was mandated by the Investment, Enterprise and Development Commission to engage on work related to the local manufacturing and supply of pharmaceutical products in the context of MDG 8, target 17.[11] The Commission recommended that "UNCTAD should, within its work programme on investment, technology transfer and intellectual property, assess ways in which developing countries can develop their domestic productive capability in the supply of essential drugs in cooperation with pharmaceutical companies."[12]

315. In the pursuit of this mandate, UNCTAD established in 2006 a pilot programme on local pharmaceutical production with the financial support of Germany (Federal Ministry for Economic Cooperation and Development – BMZ) and initially the United Kingdom. The overall objective of the programme, implemented by the IP Unit, is to assist developing countries, and LDCs in particular, to establish domestic intellectual property regimes that facilitate increased access to affordable medicines, and, where feasible, create local or regional pharmaceutical production and supply capacities, including in cooperation with investors.

[11] "In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries."

[12] See http://www.unctad.org/en/docs/c2l22_en.pdf (paragraph 9 (c) of the Agreed Recommendations).

316. During the reporting period UNCTAD conducted the following training courses for stakeholders from developing countries under this programme:

(a) Regional workshop on IP and local pharmaceutical production for Southern African countries in April 2013 in South Africa, in cooperation with the United Nations Industrial Development Organization (UNIDO) and the Southern African Generic Manufacturers Association (SAGMA). Beneficiary countries included Botswana, Mozambique, Lesotho, South Africa, and Zimbabwe;

(b) Regional blended learning course on intellectual property, public health and local pharmaceutical production for Egypt and Jordan, in cooperation with GIZ. This course comprised two national face-to-face opening workshops in Amman and Cairo in June 2013, a three-month distance learning facilitated by UNCTAD and a regional face-to-face closing workshop in Amman in September 2013. The distance learning tool is based on online training materials prepared by UNCTAD, GIZ and common sense | eLearning and training consultants GmbH, Vienna;

(c) National judiciary workshop on IP, public health and local pharmaceutical production for South Africa in July 2013, in cooperation with UNIDO;

(d) In August 2013, UNCTAD organized awareness-building workshops for domestic stakeholders in Hanoi on TRIPS-plus provisions in preferential trade and investment agreements, and their potential impact on the local production of pharmaceuticals;

(e) Regional judges training course on IP rights and public health for Argentina, Colombia, Ecuador, the Dominican Republic and Paraguay. In cooperation with the Latin American Association of Pharmaceutical Industry (ALIFAR), UNCTAD in October 2013 organized a three-day regional training course in Argentina. The course reviewed recent major developments in various jurisdictions related to pharmaceuticals and IP;

(f) National training of judicial academy lecturers and judges from Viet Nam. As a follow-up to a 2012 regional judges training course for South-East Asia, UNCTAD in cooperation with the Judicial Academy of Viet Nam organized a three-day training course on IP, public health and local pharmaceutical production in December 2013 for lecturers from the Academy and judges involved in commercial and IP matters in Hanoi.

317. All courses were based on the *Reference Guide to Using IP Rights to Stimulate Pharmaceutical Production in Developing Countries* (UNCTAD, 2011) and *Investment in Pharmaceutical Production in the Least Developed Countries. A Guide for Policymakers and Investment Promotion Agencies* (UNCTAD, 2011).

318. During the reporting period, UNCTAD conducted the following advisory services under this project:

(a) Elaboration of an IP strategy for Indonesia, following a 2012 request from the country's Directorate General of Intellectual Property Rights. UNCTAD in December 2012 organized a national stakeholder workshop in Jakarta to peer review the draft policy. The final document was accepted by Directorate in July 2013. The IP Strategy covers areas such as innovation, creativity, biodiversity, access to medicines and knowledge, investment and technology transfer, and IP administration and enforcement;

(b) In October 2013, UNCTAD fielded an advisory mission to Armenia to provide the State Commission for the Protection of Economic Competition with examples of how cases dealing with the parallel importation of medicines are analysed.

319. **Policy coherence in local pharmaceutical production.** UNCTAD in cooperation with the World Health Organization as the lead agency, examines the coherence of policies in selected developing countries to ensure that local pharmaceutical production increases

access to medicines. Building on the first phase of this project, during which UNCTAD analysed cases of pharmaceutical technology transfer to eight selected developing countries (*Local Production of Pharmaceuticals and Related Technology Transfer in Developing Countries*, http://unctad.org/en/PublicationsLibrary/diaepcb2011d7_en.pdf), UNCTAD is conducting fact-finding and capacity-building activities in Bangladesh, Ethiopia, Ghana and Kenya with the potential to serve the African market in the second phase of this project.

320. **IPRs and biodiversity.** In 2011, UNCTAD launched its new technical assistance programme on IP and biodiversity, with financial support from the Government of Germany (BMZ) and in cooperation with GIZ. The programme focuses on the building of local capacities in developing countries to design and enforce domestic trade, customs and IP laws in line with access and benefit sharing rules under the Convention on Biological Diversity (CBD), its Nagoya Protocol and the United Nations Declaration of the Rights of the Indigenous Peoples. The following training courses or related activities were implemented during the reporting period:

(a) Blended learning course on biodiversity, international regime for access and benefit sharing and intellectual property for South Asian countries. UNCTAD from 25–29 November 2013 conducted a workshop in Chennai, India, in cooperation with common sense, eLearning and training consultants GmbH, Vienna; the United Nations University – Institute of Advanced Studies (UNU-IAS) and the Bangalore-based Foundation of Revitalization of Local Health Traditions (FRLHT). This meeting convened officials from IP offices, research centres, national biodiversity/environment agencies and civil society in Bangladesh, Bhutan, India, the Maldives and Nepal. Online training for these South Asian countries took place from 2 December 2013 to 31 January 2014. The distance learning tool is based on online training materials prepared by UNCTAD and common sense, eLearning and training consultants GmbH;

(b) Ad Hoc Expert Group Meeting on the Development Dimensions of Intellectual Property: Biological Diversity and Access and Benefit Sharing (ABS) in April 2013 in Geneva. The purpose of this meeting was to promote an exchange of views among Geneva-based and other organizations on latest trends in the area of IP, biodiversity and ABS and to peer review the UNCTAD draft Handbook on the Interface between Global Access and Benefit Sharing Rules and Intellectual Property: The Convention on Biological Diversity and the Nagoya Protocol: Intellectual Property Implications. The manual provides the basis for various UNCTAD and GIZ workshops to be implemented in developing countries throughout 2014 and 2015;

(c) In May 2013, a lecture was delivered at the United Nations University – Institute for Advanced Studies in Yokohama, Japan, on why intellectual property still matters in the implementation of the Nagoya Protocol;

(d) In August 2013, UNCTAD received a request from the Cambodian Ministry of Commerce to organize a national workshop on the interface between international access and benefit sharing rules and IP.

321. **Development dimension of intellectual property (DDIP) and other advisory reports.** Developed initially under the UNCTAD–ICTSD project on IPRs and sustainable development, UNCTAD produces, upon request by a developing country or LDC, advisory reports on the development dimensions of intellectual property (DDIP). The objective of a such a report is to provide well-researched and reasoned advice on policy and the legal and institutional frameworks of developing countries and LDCs for IPRs, particularly in relation to important development objectives such as innovation, technology, investment, competition, education and health. Developing countries specify the key development objectives they wish to examine. In addition, a DDIP report will take into consideration the

bilateral, regional and international commitments the target countries have entered into and the flexibilities available to them.

322. Based on this analysis, the reports incorporate medium to long-term recommendations on how governments and other stakeholders could make these frameworks more coherent and transparent, with a view to making IPRs contribute to a country's sustainable economic and human development goals, and respond to emerging global opportunities. The aim is to present an analysis and recommendations designed to promote innovation and technology transfer from abroad, as well as a pro-competitive and transparent domestic IP system. The DDIP reports take due account of the importance of maintaining an appropriate public domain and the means to pursue important public interest objectives.

(a) UNCTAD finalized an advisory report to assist Egypt in the elaboration of a development-oriented IP policy. A draft version of this advisory report was peer reviewed by the Egyptian National IP Committee in January 2013. The report provides a set of policy recommendations related to the country's national IP framework, the promotion of domestic technological capacities, the domestic creative sector and domestic IP administration and enforcement.

(b) UNCTAD is currently preparing a DDIP report for Nepal regarding IP and access to medicines, technology transfer and biodiversity.

323. **Cooperation with other providers of IP-related technical assistance.** UNCTAD frequently participates in capacity-building workshops on IP and development issues organized by other providers of IP-related technical assistance. For instance, UNCTAD was invited by WIPO and WTO to contribute to the 2013 WIPO–WTO advanced course on IP for government officials.

2. Research and policy analysis and WIPO Development Agenda support

324. In 2013, UNCTAD finalized its Handbook on the Interface between Global Access and Benefit Sharing Rules and Intellectual Property entitled "*The Convention on Biological Diversity and the Nagoya Protocol: Intellectual Property Implications*". An advanced draft of the handbook has served as the basis for UNCTAD–GIZ workshops on biodiversity and IP. The final version will guide the future activities of UNCTAD in this area. The handbook provides an overview of the international framework on IP and access and benefit sharing (ABS). It also analyses in detail issues such as disclosure of source/origin and additional tools, positive protection of traditional knowledge, the use of distinctive signs and private contract law.

325. UNCTAD prepared a compendium of IP jurisprudence in the Spanish language regarding recent court decisions in various major jurisdictions. The digest, entitled "*Compendio de Jurisprudencia: Propiedad Intelectual y Productos Farmacéuticos*" (hereinafter the Compendium), will serve as an important resource for UNCTAD capacity-building activities related to pharmaceuticals.

236. With a view to stimulating further debate and research in the context of the WIPO Development Agenda, a series of policy briefs were published. They aim to examine the issues in a creative manner with a view to identifying specific recommendations and activities to foster the implementation of the WIPO Development Agenda recommendations. A list of published policy briefs is available at http://unctad.org/en/Pages/DIAE/Intellectual%20Property/IPRs-and-Sustainable-Development-Policy-Briefs.aspx.

3. Consensus-building

327. Consensus-building among stakeholders on issues of IP is an important element of the programme's work. The substantive contributions of UNCTAD on the analysis of issues related to development and IP have enabled it to become an important forum, through its intergovernmental machinery, where governments, academia, civil society and the private sector can meet to exchange ideas. An example of the consensus-building activities in the IP programme is the UNCTAD Ad Hoc Expert Group Meeting on the Development Dimensions of Intellectual Property: Biological Diversity and Access and Benefit Sharing.

328. **Impact and results. Capacity-building activities.** A total of 79 stakeholders received training in 2013. The capacity-building courses on both public health or local pharmaceutical production and IP or biodiversity have been well received, according to exit evaluations. A total of 15 participants from Egypt and Jordan benefited from the blended learning course on pharmaceutical production, in addition to four participants from the Egyptian Patent Office, who only participated in the opening workshop and the distance learning. Participants developed national action plans, which in Egypt concerns mainly a revision of the examination guidelines for pharmaceutical patent applications and in Jordan aims at amending certain provisions in the national patent law. Participants strongly recommended national training courses for judges in both countries, alluding to an apparent lack of know-how in the respective judiciaries. A total of 13 judges participated in the regional judges training course in Latin America. Judges from Colombia, Ecuador and the Dominican Republic expressed an interest in national follow-up activities. The representatives of the National Judicial Academy of Viet Nam expressed an interest in including the judges training course on IP and public health in the formal curriculum of the Judicial Academy. The South Asian regional training course on the TRIPS/CBD interface was attended by 15 participants. One of the alumni of the course will serve as a future lecturer in a national training course being organized for Cambodia in March 2014 on the topic.

329. **Research.** The Compendium will play an important role in the preparation of an English language database on IP cases that UNCTAD will prepare in the course of 2014–2015. It will complement the UNCTAD Reference Guide by providing practical examples for illustration. The IP/biodiversity handbook has been used as the basis for various training activities in developing countries and serves as the substantive basis for the distance learning course on this topic.

330. **Consensus building.** The ad hoc expert group meeting on 16 April provided an opportunity for UNCTAD to highlight its relatively recent work programme on IP and biodiversity to other Geneva-based stakeholders.

IX. Cluster IX: Enterprise development

Lead division: Division on Investment and Enterprise

331. The programmes under this cluster (table 9) aim at an enhanced understanding and capacity of beneficiary countries to develop policies aiming at stimulating enterprise development.

Table 9
Enterprise development

Project number	*Short title*	*Period covered*	*Source of fund*
COS/0T/CAQ	Design and implementation of an extra-walls incubator for cultural enterprises in the city of Limon	2013–	Costa Rica
PAN/0T/9BK	Red de oportunidades empresariales para familias pobres (Empretec)	2009–	"One United Nations"
ROM/0T/1CZ	Empretec phase I – Romania	2002–	Romania
VIE/0T/9BM	Green production and trade to increase income and employment opportunities for the rural poor	2009–	"One United Nations"
INT/0T/CBH	Empretec Business Networking Challenge	2013–	Germany
INT/0T/BBV	Strengthening SMEs in developing countries and countries with economies in transition	2012–	Private sector companies
INT/0T/BCP	Accounting and Corporate Governance Trust Fund	2012–	Germany

A. Entrepreneurship and small and medium-sized enterprise development: Empretec

332. **Development context.** Small and medium-sized enterprises (SMEs) contribute substantially to national economies and global prosperity, accounting for about 40 per cent of jobs and 25 per cent of GDP in developing countries and economies in transition. Strengthening local enterprises boosts competitiveness and increases local absorptive capacities, both of which are necessary to attract foreign investments and gain access to global value chains (GVCs). Entrepreneurship plays a central role in the attainment and sustainability of the MDGs, particularly the eradication of extreme poverty, and will play a crucial role in meeting the challenges of their successor framework, the sustainable development goals. The General Assembly has also highlighted the positive role entrepreneurship plays in driving job creation and expanding opportunities for all, including for women and youth, in its resolution on entrepreneurship for development, passed in December 2012. Putting development objectives at the heart of its policy orientation, UNCTAD helps policymakers identify and formulate policies that, in a cohesive manner, link entrepreneurship and enterprise development to national priorities.

333. **Objectives and features.** The UNCTAD Entrepreneurship Policy Framework (EPF), presented in 2012, aims at helping policymakers formulate policies that, by promoting entrepreneurship across all sectors and industries through a coordinated approach, contribute to the achievement of national priorities such as poverty alleviation, the empowerment of women, the inclusion of rural communities and a reduction of the informal sector. In 2013, UNCTAD followed up with a number of developing countries and economies in transition to assist them in the adoption of a systematic national policy on entrepreneurship, identifying different priority areas for entrepreneurship promotion, according to each country's level of development and specific context. In addition, the UNCTAD entrepreneurial development programme – Empretec – continued to foster individual entrepreneurial capabilities through its behavioural approach and contributed to

build institutional capacity at the country level, especially assisting new and recently installed country programmes, thus encouraging employment creation, investments and the creation of linkages between SMEs and transnational corporations.

334. **Outputs and results.** Entrepreneurship policies were at the core of the fifth session of the Investment, Enterprise and Development Commission, held in April–May 2013. Its high-level segment brought together four government ministers from developing countries (Cameroon, Costa Rica, the Dominican Republic and Ghana) and other leaders to discuss the opportunities and challenges for enterprise development in their respective countries, particularly focusing on entrepreneurship policy as a crucial means for improving the entrepreneurial climate. Speakers endorsed the Entrepreneurship Policy Framework, highlighting its impact and requesting advice on the implementation.

335. After his participation in the Commission's high-level segment, the Minister for Trade and Industries of Ghana requested UNCTAD assistance in organizing a two-day high-level workshop on the development of a dedicated entrepreneurship and SME policy and strategy for his country in November 2013. In close collaboration with the Government of Ghana's Office for Private Sector Development, UNCTAD convened a comprehensive group of 40 high-level representatives of key Ghanaian institutions for the workshop structured around the participatory methodology of the Entrepreneurship Policy Framework. The stakeholders represented the main players of Ghana's entrepreneurial ecosystem and stakeholders working in private sector development, including Empretec Ghana. They engaged in an interactive peer review of the current entrepreneurship policy environment of and discussed priority action areas. Following the workshop, UNCTAD delivered an outcome report, which included the results of the perception survey conducted by UNCTAD on the entrepreneurial climate in Ghana as well as some preliminary recommendations for the way forward.

336. Youth entrepreneurship continued to be at the forefront of discussions in 2013. In November, UNCTAD convened an ad hoc meeting devoted to examining and sharing good practices on how entrepreneurship could offer a means of tackling youth unemployment. A prominent list of experts on youth entrepreneurship from the public, private and NGO sectors debated on the main challenges and specific needs of the youth entrepreneurship agenda, which will be further discussed at the sixth session of the Investment, Enterprise and Development Commission in 2014.

337. Since its inception in 1988, Empretec has been launched in 34 countries and has been assisting entrepreneurs through local market-driven business support centres (Empretec national centres). In 25 years of activity, over 310,000 entrepreneurs attended about 10,000 Empretec entrepreneurship training workshops (ETWs) and received follow-up support services from the centres. In 2013, Empretec consolidated its activities in the Russian Federation, the United Republic of Tanzania, Zambia and India. UNCTAD is following up on official requests for Empretec installation from the Governments of Oman, Saudi Arabia and Kenya. UNCTAD signed a memorandum of understanding with the Saudi Bank for the financing of the Empretec programme in the country.

338. **Highlights of 2013 activities.** The following are highlights under this area of support:

1. Implementing the Millennium Development Goals

339. With its Empretec programme, UNCTAD concluded the implementation of its activities under two MDG joint programmes in Panama and Viet Nam, respectively named "Entrepreneurial network opportunities for poor families" and "Green production and trade to increase income and employment opportunities for the rural poor".

340. In Panama, UNCTAD was part of a three-year MDG joint programme, "Entrepreneurial network opportunities for poor families," which focused on strengthening the enterprises of rural entrepreneurs working in associations in four provinces. The role of UNCTAD in this joint programme was directed toward capacity-building activities for target beneficiaries. The programme concluded in June 2013. Since the beginning of the programme, UNCTAD produced a new training manual for the Empretec workshop adapted to the profile and needs of the target beneficiaries of the programme. Women were the majority of beneficiaries. Additionally, six specialized workshops aimed at addressing their specific needs were developed and included topics such as associativity, negotiation skills and team work. Two regional and one local training of trainers courses were organized. As a result of the MDG Programme, the Empretec centre is now fully self-sustainable with a team of five certified instructors headed by the director of the centre and partnerships with key institutions from the public and private sectors working in entrepreneurship development. This ensures that the Empretec training programme will continue to be delivered across the country, including in the rural provinces that were the target areas of the MDG Programme. In 2013, three entrepreneurship forums were organized by Empretec Panama in three provinces that were target regions for the MDG Programme, as well as two Empretec training workshops, reaching a total of 113 beneficiaries in rural Panama.

341. In Viet Nam, UNCTAD has been involved in a three-year MDG joint programme called "Green Production and Trade to Increase Income and Employment Opportunities for the Rural Poor", focusing on five value chains of the handicraft sector and targeting four provinces in northern Viet Nam. Viet Nam is the first Asian country where the Empretec programme has been installed. Vietrade and UNCTAD launched the Empretec centre in June 2013, at the end of the MDG programme activities. To date, Vietrade has prepared more than 200 local firms to enter in business linkages with large domestic and international firms. Demonstrating the value of the initiative, a recent evaluation of Vietrade's support found that around 60 per cent of trained entrepreneurs had introduced new products into the market, with 65–75 per cent of them reporting an increase in profits and staff employed.

342. To sustain the achievements of the joint programme, and further develop the bamboo and rattan and sericulture value chains, two provincial advisory boards have been established in Nghe An and Thanh Hoa under the leadership of Vietrade. Objectives include the creation of 5,000 permanent and 8,000 part-time jobs by 2015 and 8,000 permanent and 30,000 part-time jobs by 2020

2. Empretec country activities in Africa

343. The Empretec centre in South Africa consolidated its capacity to autonomously organize and deliver entrepreneurship training workshops (ETWs) in all the nine provinces of the country, having certified to the Empretec national trainer level all its nine local trainers. The centre organized 19 Empretec workshops, since its inception in 2010, training 600 entrepreneurs. The centre continued its close collaboration with Empretec Botswana and was actively involved in the organization of two pilot workshops in Lesotho, targeting women with poor literacy levels in the provinces of Berea and Qacha's Nek.

344. In Lesotho, the pilot workshops have been organized with the support of UNDP and the involvement of BEDCO (Basotho Enterprises Development Corporation) – the organization that has been identified as the potential Empretec counterpart in Lesotho. Based on the successful outcome of the workshops, the Ministry of Industry and Trade sent an official letter to UNCTAD requesting the installation of the Empretec programme and confirming BEDCO as counterpart. To this purpose, UNCTAD sent a request to UNDP for financial support through "One United Nations" funds in Lesotho.

345. A total of 16 Empretec workshops have been held in the United Republic of Tanzania, where 428 entrepreneurs have been trained since inception of the programme there. Training activities continued in other regions outside the capital city of Dar es Salaam. A second Empretec national trainer was certified during the year, and the local training capacity is now sufficient for the organization and delivery of Empretec workshops.

346. In Zambia, nine training workshops have been held since the beginning of the programme, benefiting 150 entrepreneurs. Three trainee trainers received the Empretec national trainer's certification, having achieved a satisfactory level of proficiency with the training programme.

3. Empretec country activities in Latin America

347. The Latin American Empretec Centres continue to grow and operate actively. Eight Empretec centres were represented in the 2013 Annual Empretec Directors Meeting, which was held in Istanbul in November.

348. The Empretec Centre in Peru, which was established in 2010, continues to be active both in the capital as well as in provincial areas. In 2013, seven Empretec training workshops were delivered to over 140 beneficiaries in Lima and the provincial regions of Piura and Iquitos. Two new trainers from the Piura region have been identified and have begun their certification process. This will ensure that Empretec will be able to continue to serve the northern part of the country. One bi-national Empretec training workshop was delivered in conjunction with Empretec Venezuela (Bolivarian Republic of), thereby strengthening regional ties and the Empretec network. With the assistance of Empretec Argentina and the coordination of UNCTAD, two national Empretec instructors are currently starting the process to become trainers of trainers.

349. Empretec Ecuador carried out two Empretec training workshops in 2013, benefiting 53 entrepreneurs from the capital. Following the Empretec Directors Meeting, Empretec Argentina started consultations with Empretec Ecuador to continue the transfer of methodology in the country to train more national trainers in 2014. Currently, Ecuador has two certified national trainers; three are in the process of training.

350. In 2013 the project "Design and implementation of an extra-walls incubator for cultural enterprises in the city of Limon" was launched in Costa Rica. It will be implemented in three phases, including an initial diagnostic activity, a series of specific Empretec-related activities aimed at improving the competitiveness of selected cultural enterprises and a series of follow-up activities, including technology upgrading and marketing activities.

4. Empretec country activities in Romania, the Russian Federation and India

351. The Government of Romania continued its support to the incorporation of Empretec into its national framework for assisting the SME sector and developing entrepreneurship in the country. In October 2013, a team of certified and junior facilitators volunteered to organize celebrations for the tenth anniversary of the Empretec programme in Romania, which saw the participation of 150 graduates from the Empretec network.

352. Empretec celebrated its second anniversary in the Russian Federation. Since the inception of the programme in the country, 10 Empretec workshops have been attended by over 200 entrepreneurs, and the first Empretec national trainer was certified in 2013; three other trainers are expected to be certified in the coming year. This progress has been achieved through cooperation with Vnesheconombank based on the memorandum of understanding between the Bank and UNCTAD. Additional partners include the Department of Science, Industrial Policy and Entrepreneurship of Moscow City

Government; its agency "Small Business of Moscow"; the Agency for Investment Development of Tatarstan, Ministry of Economic Development; and its regional agencies on export promotion, and other public and private sector organizations.

353. In 2013 Empretec in India continued its activities by holding a second ETW in Geneva. It gathered participants from seven different nationalities turning it into a truly international workshop. The multicultural environment created extra challenges for the learning process and led to intensive and rich interactions among participants. In 2014 the focus will be on organizing a series of ETWs in India.

5. Empretec global network activities

354. The twentieth Empretec Directors Annual Meeting took place in Istanbul, on 23–24 October 2013. It provided a platform for a rich exchange of experiences and best practices among the 24 participants from 21 countries. The annual meeting took place in parallel with the sixteenth International Business Forum on Green and Inclusive Business, which provided a good opportunity not only for Empretec directors to benefit from the many sessions of the Forum, but also for UNCTAD to contribute to the different debates and formal discussion panels that took place during the event. These interventions helped gain active exposure and recognition for the work of UNCTAD and its Empretec network.

355. UNCTAD successfully celebrated the Global Entrepreneurship Week 2013 in November, together with other international organizations and United Nations agencies, with a town hall meeting on youth entrepreneurship for development, in the presence of the ambassadors of Colombia, Italy, Mexico and Portugal. The event was organized with the collaboration of both United Nations and non-United Nations partners, including the Youth Employment Network, the University of Geneva and GENILEM. The meeting was attended by more than 110 young participants. It illustrated the extraordinary development potential of youth entrepreneurship and how it could offer a means of tackling youth unemployment, a dramatic problem that is affecting developed and developing countries alike. Panellists underlined the importance for young entrepreneurs to interact with external actors who could help them overcome obstacles, learn from failures and fully unleash their creative potential.

356. UNCTAD released a revised Empretec trainer's manual for the six-day training workshop. The new manual is aimed at trainee trainers being certified as national Empretec trainers, as well as those trainers moving to the six-day training format.

357. Information on the programme and its support services is regularly provided, upon request, to interested member States and can also be found on the Empretec website (http://www.empretec.net).

358. **Impact.** The impact from this area of support is set out below:

359. With the use of a restricted number of measurable indicators throughout the Empretec network of existing centres, it was possible to assess the impact of the programme in nine countries with a significant sample of beneficiaries who attended the Empretec training course and accessed the services provided by the centres. Already 12 months after the intervention, the SMEs showed remarkable improvements in sales (+32 per cent) and profitability (+30 per cent), with a positive effect on employment generation (+34 per cent) and creation of new businesses (on average, two thirds of those who have a business idea are actually able to start a business within 12 months after attending the Empretec workshop).

360. Another assessment carried out on a selected group of Tanzanian SMEs, which benefited from the Empretec training, revealed a remarkable improvement in their business

operations: new contracts were signed and carried out for a total value of TSh 6.643 billion, and 114 new jobs have been created over a span of three years.

361. In Panama, several impact assessments among a set of beneficiaries of the Empretec training programme were carried out. The results showed that 100 per cent of the beneficiaries surveyed improved their cost registration processes and obtained new clients for their enterprises. Thirty per cent of those surveyed hired new employees in their enterprises.

362. At the same time, in Viet Nam, based on the evaluation made by entrepreneurs, the training resulted in high levels of improvement in management styles, including the completion of business plans. The introduction of new products andservices, resulting in improved profitability and new jobs created, was also remarkably high. Bearing in mind the differences in geographical and economic contexts between entrepreneurs in Hanoi and those in the provinces, the findings of the impact assessment exercise reveal that the Empretec methodology is equally effective with different target groups, even though methodological material adaptations are needed to better fit local needs. For example, 58 per cent of participants who attended the Empretec workshop revealed that they introduced new products or services within four months from the end of the training. Some 53 per cent of participants planned to employ more staff in the following six months, and more than 80 per cent expressed a positive outlook for their business performance in the coming six months, expecting increased profitability. In all, 89 per cent of the Vietnamese *empretecos* recognized that their businesses had performed better thanks to their participation in the Empretec workshop. Moreover, external evaluation findings reveal that the income increase from the surveyed products is nearly three times higher in the sample group than in the control group; this is particularly the case in the sericulture and silk value chain, where the income from surveyed products contributed 26.5 per cent to the overall household income in 2012 (compared to 16.7 per cent in 2009), while the control group's income from sericulture/silk only contributed only 8.2 per cent to the overall household income in 2012.

363. **Knowledge-sharing and new products.** The finalization of a newly revised six-day Empretec trainer's manual provides trainers with standardized materials, thus meeting a growing demand for quality-checked training tools that preserve the quality of the Empretec workshop.

B. Business linkages[13]

364. **Development context**. UNCTAD advises member States on strategies to maximize the benefits generated by foreign investments for the local economies in which they occur. Experience shows that, given the right policies and business environment, such benefits can be significant in terms of employment creation and contribution to a country's economic development. By pursuing active strategies to capitalize on this situation, developing countries and economies in transition can actually turn business linkages into a source of sustainable competitive advantage for local firms and investors alike, promoting technology upgrading, flexibility and entrepreneurship, ultimately raising the productivity of whole economic sectors.

365. **Objectives and features.** The UNCTAD Business Linkages Programme is a multi-stakeholder initiative that seeks to design and implement the necessary measures, incentives and strategies to transform linkages between multinational corporations and SMEs into

[13] Mention of any company, firm, or transnational or multinational corporation does not imply endorsement by the United Nations or UNCTAD.

sustainable business relationships that improve the performance, productivity and efficiency of all participants. The programme is based on the conviction that a favourable business environment, early involvement and close cooperation between the public and private sectors, and effective technological capacity-building are vital to sustainable business linkages development.

366. **Outputs and impacts.** The outputs and impacts from this area of support are set out below:

367. **Argentina.** In Argentina, where the project was launched in 2008, UNCTAD identified the National Development Bank of Argentina and the Empretec Foundation as main counterparts of the project. The two main areas selected were the dairy and automotive sectors. Project activities have focused on addressing these needs. In 2012, the second phase of the business linkages initiative was launched with the aim of establishing business linkages in the Argentine electronics industry in Tierra del Fuego. In cooperation with national and regional government entities, the Empretec Argentina Foundation carried out an in-depth study to identify the scope for import substitution concerning the production of electronic goods in the Tierra del Fuego Province. In light of the significant capital investment in the electronics industry, the business linkages initiative aims at strengthening local industrial capacity. Moreover, this creates scope for promoting investment in the national electronics industry and for replacing imports by gradually increasing competitiveness and including SMEs in other parts of Argentina in the value chain, for example in R&D. Currently, local SMEs are now supplying large manufacturers with some electronic components such as power cables and memory cards. Moreover, two local medium-sized suppliers of electronic components, Megatech and Inarci, decided to create a joint venture to produce all remote controls for the air conditioners produced in Tierra del Fuego. By the end of 2013, 1,500,000 remote control units for air conditioning, applicable to all brands, were entirely produced in Argentina. During project implementation, UNCTAD undertook a series of monitoring missions, met with the Association of Auto-parts Producers, and took part in a press conference with the Minister for Industry of the Province, who expressed enthusiasm and appreciation for the results achieved.

368. **Mozambique.** The linkages programme, launched in 2008, identified the National Investment Promotion Centre and Enterprise Mozambique Foundation as the main counterparts of the project. Three priority areas of intervention were selected, namely sustainable tourism, agribusiness (barley growing for beer production) and mining. In particular, a pilot project was implemented in the agribusiness sector, in cooperation with CDM Breweries (a subsidiary of SAB Miller of South Africa), which has a significant investment in Maputo, manufacturing a range of beers for the domestic market. In 2013, UNCTAD also identified sound business linkages opportunities within existing mining value chains with high growth potential. In collaboration with Empretec Mozambique, UNCTAD launched a pilot case in the Nampula region to train selected women or youth-led MSMEs in rural areas to participate in the value chain of the Kenmare mining company, with the aim of better linking small domestic suppliers with affiliates of multinational corporations in the region.

369. **Peru.** A linkages project in the mining sector was launched in 2012, aimed at strengthening the capacities of SMEs in the Province of Sechura, with funding from the Canadian International Development Agency and the lead firm Miski Mayo Mining Company SRL, an affiliate of the Brazilian mining company Vale. The project plans to achieve, as end results in 2017, local job creation and increased incomes by building the value chain for the Bayóvar phosphate mine and strengthening local business units, promoting new business initiatives, training local officials for the promotion of new start-ups and strengthening existing businesses in the value chain. In 2013, the project initiated a new pilot in the La Bamba region, still funded by the Canadian cooperation, with the

mining company Xstrata, targeting 100 local suppliers of services and manufactured inputs for workers' security.

370. **United Republic of Tanzania.** The Tanzania Investment Centre, the implementing partner of the Business Linkages programme in the country, conducted two targeted capacity-building interventions for selected suppliers in the agribusiness and mining sectors, consisting of two entrepreneurship training workshops (February and June 2013). Health checks and upgrading plans were developed for a selected number of suppliers and distributors of Vodacom Tanzania and two sensitization campaigns were carried out in the coastal area of Tanga to further promote the programme. An evaluation undertaken on the group of suppliers linked with Vodacom showed an outstanding growth of their business operations up to 700 per cent. They also created new jobs, in some cases quadrupling the work force they had employed before the intervention and doubled the efficiency of their productive processes, which led to the expansion and diversification of their business.

371. **Uganda.** A fully fledged national business linkages programme was launched by Enterprise Uganda, the Empretec counterpart of UNCTAD, in June 2008. The SMEs linked to Toyota, MTN, Roofings, National Housing and National Water graduated from the programme and are continuing to deepen their business relationships with the respective transnational corporations. In 2013, the business linkage programme continued to operate with the main focus being on the agribusiness sector, the backbone of Uganda's economy. The programme continues to employ over 70 per cent of the population. Enterprise Uganda has continued to work with Nile Breweries Limited, a subsidiary of SABMiller, to expand their catchment of farmer groups in the country, who are supplying sorghum and barley. A total of 15 farmer groups have been supported in this initiative with a membership base of 15,000 smallholder farmers. Business relations have improved, as evidenced by the increased supply capacity, attraction of other partners and financiers. The farmer group's participation in the higher value chain nodes has also been growing with their active investment in storage and processing facilities.

372. **Zambia.** UNCTAD, its national implementing partner, the Zambia Development Agency (ZDA) and the country office of the International Labour Organization (ILO) successfully concluded the inception phase (2012–2013) of the United Nations Zambia Green Jobs programme and started the implementation phase, which will end in 2017. The Green Jobs programme in Zambia is supported by the Government of Finland. UNCTAD started to work with ZDA and the National Council for Construction to facilitate business linkages at the micro level between MSMEs and large corporations in the building industry, creating an effective enabling environment for business linkage creation and foreign direct investment attraction, technology and knowledge spillovers. Within the framework of the inception phase work plan, UNCTAD prepared an analytical report entitled "Promoting Business Linkages in the Zambian Green Building Construction Industry", which was presented at a stakeholder validation workshop in January 2013. Two entrepreneurship training workshops were conducted in Lusaka in April and July 2013, in order to generate an initial pool of linkage-ready MSMEs to undergo supplier development and upgrading to kick-start business linkage activities during the implementation phase.

C. Corporate transparency, accounting and reporting

373. **Development context.** Global economic opportunities, as well as uncertainties, transcend national borders. Investors need high-quality information to make sound decisions. A strong accounting infrastructure fosters the issuance of high-quality corporate reports, and it has become a critical facilitator for attracting investment, allocating scarce resources and promoting financial stability. In the aftermath of the financ[illegible] successive G20 meetings have highlighted the need for convergence towards a s[illegible]

high quality global accounting standards as one of the key factors in strengthening the international financial regulatory system and fostering global financial stability. However, the effective adoption of such standards and codes remains a challenge for many developing countries and countries with economies in transition, as they lack some of the critical elements of corporate reporting infrastructure, from weaknesses in their legal and regulatory frameworks, to lack of human capacity and relevant support institutions. Enabling a country to evaluate and monitor its progress towards convergence with respect to global standards and codes of corporate reporting, as well as to analyse outcomes and impact of its accounting reforms, particularly the effectiveness and efficiency of newly introduced policies, regulations and various technical assistance programmes, is crucial. There is thus a need for a coherent approach to building capacity in this area, as well as for developing tools for measuring and benchmarking progress and identifying priorities for further actions.

374. **Objectives/features.** The Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) is geared towards assisting United Nations member States with harmonizing their accounting practices with international standards. ISAR does this by developing guidance, facilitating an exchange of views and best practices, and conducting research and providing technical assistance on corporate reporting issues related to accounting, auditing, corporate governance and corporate social responsibility. This work is conducted through the ISAR annual sessions, as well as associated workshops and round tables, research activities and technical assistance projects.

375. **Output/results**: In 2013, after three years of consultations, testing and development, UNCTAD finalized the UNCTAD–ISAR Accounting Development Tool (ADT). The ADT has now been enriched by the outcomes of several national round tables, and the subsequent pilot projects carried out in 12 countries (Belgium, Brazil, China, Côte d'Ivoire, Croatia, Ecuador, Mexico, the Russian Federation, the Netherlands, South Africa, Ukraine and Viet Nam). The ADT enables beneficiary countries to voluntarily assess their accounting infrastructure, including their national institutions, regulations, human resources and processes against international requirements for high-quality corporate reporting. The Tool provides a quantitative benchmark of a country's position at a particular point in time and its progress toward greater implementation of international standards and practices. The ADT allows dynamic generation of graphical quantitative information at different levels of detail (see attached). This provides countries with an overall picture of the accounting infrastructure and also enables them to drill down and analyse the results of the assessment more in detail. An ADT assessment of the national accounting infrastructure provides a road map identifying gaps, weaknesses and areas needing attention in the key pillars of the country's accounting infrastructure. It also helps key stakeholders and decision-makers by facilitating communication, coordination and cooperation, and providing quantitative findings that contribute to prioritizing goals, approaches and strategies towards capacity-building. Results can be used as a valuable feedback by all key stakeholders including governments, public and private financial institutions, researchers, standard setters and policymakers.

376. The ADT provides member States with the following information:

(a) Guidance on key elements of the accounting and reporting infrastructure for high quality corporate reporting;

(b) Guidance on international benchmarks for relevant policies and capacity-building;

(c) Measurement indicators and assessment methodology to identify gaps and priorities; and to monitor progress;

(d) Guidance on main aspects of capacity-building process.

Figure 2
Accounting Development Tool

377. During 2013, the ADT was pilot tested (or the process was initiated) in seven countries: Belgium, Brazil, Ecuador, Kenya, the Russian Federation, the Netherlands and Ukraine, with some countries conducting an assessment exercise for the second year. The countries that have completed the ADT assessment emphasized the facilitation role that the pilot tests have played in promoting stakeholder dialogue. They affirmed that the ADT helped them to raise awareness of good practices and international benchmarks and expedited the development of national strategies for capacity-building in the regulatory, institutional and human-capacity pillars of the national accounting architectures.

378. The ADT also features an Internet-based platform (http://unctad-accountingdevelopment.org). The ADT web portal, currently available in English, French, Spanish and Russian, was officially launched in 2013. ADT assessments can now be conducted using this online tool.

379. The thirtieth anniversary session of ISAR took place at the Palais des Nations in Geneva from 6 to 8 November 2013. ISAR 30 involved the participation of over 300 participants from approximately 90 countries and featured 45 speakers at 8 main events organized over 3 days. ISAR remains the largest expert group meeting of UNCTAD and one of the United Nations longest-standing expert groups. Top government officials, policymakers and leading international experts deliberated on the contribution of sound corporate reporting towards financial stability and economic development and the important role that ISAR has been playing in this area for the last 30 years. Feedback from countries, including Belgium, Brazil, Ecuador, the Netherlands, Kenya and the Russian Federation, having used the ADT was discussed,. Delegates agreed on the usefulness of the ADT in assessing their regulatory, institutional and human-capacity arrangements and in identifying gaps by benchmarking against globally recognized standards and codes, and developing action plans. They requested UNCTAD to rollout the ADT more widely. The session also discussed the human resources development challenges in more detail and called on UNCTAD to consider appropriate updates of the UNCTAD model accounting curriculum. Delegates also called on UNCTAD to examine the challenges that arise in implementing International Public Sector Accounting Standards and to recommend to member States good practices to consider. Finally, delegates requested UNCTAD to

conduct research on good practices on compliance, enforcement and monitoring issues in relation to corporate reporting.

380. UNCTAD also delivered best-practice guidance for policymakers and stock exchanges on sustainability reporting initiatives. This guidance is a practical voluntary tool for assisting policymakers and stock exchanges in assessing their options for introducing sustainability reporting initiatives. It provides examples of a range of existing initiatives adopted by policymakers and stock exchanges, including voluntary and mandatory approaches, and offers a road map that can guide policymakers and stock exchanges to adopt the most appropriate initiative for a specific national context.

381. On the eve of the ISAR session, UNCTAD and the IFRS Foundation jointly organized a whole-day technical workshop on accounting for SMEs. Close to 180 delegates benefited from the training. As part of this workshop, experts from the International Accounting Standards Board, the World Bank, the International Federation of Accountants and UNCTAD addressed lessons learned in the implementation of IFRS for SMEs. Furthermore, the event provided member States with an opportunity to influence the work of the International Accounting Standards Board with respect to the recently published exposure draft on the IFRS for SMEs.

382. In June 2013, in Abidjan, the Ivorian National Accounting Council invited UNCTAD to a seminar on the role of accounting in economic development. Findings of the application of the ISAR ADT conducted by UNCTAD in 2012 were presented to 300 high-level stakeholders from public and private sectors. Ms. Nialé Kaba, Economy and Finance Minister, mentioned that significant resolutions, including the adoption of IFRS by listed entities on the Regional Stock Exchange (Bourse Régionale des Valeurs Mobilières, BRVM), the adoption of a revised SYSCOA in line with IFRS for other entities, as well as the creation of an oversight body for auditors, were among an array of activities to be included in a national strategic plan aimed at strengthening the accounting and financial architecture of Côte d'Ivoire.

383. In New York, on 24 July 2013, the NYSE Euronext, parent company of the New York Stock Exchange joined the United Nations Sustainable Stock Exchanges (SSE) initiative to promote sustainable capital markets. As a global exchange group home to the world's leading companies, NYSE Euronext's commitment signals the significance of sustainability to the private sector globally. In remarks delivered at the New York Stock Exchange, United Nations Secretary-General Ban Ki-moon commended the company for its commitment to improving corporate behaviour and promoting sustainable investment. "The addition of the world's largest stock exchange to this group is a significant forward step signalling the importance and relevance of sustainability to the private sector around the world," said the Secretary-General. He added, "I thank NYSE Euronext for committing to the Sustainable Stock Exchanges initiative and I urge stock exchanges around the world to follow their lead".

384. Duncan L. Niederauer, CEO of NYSE Euronext said, "We are proud to join the SSE initiative and partner with the United Nations and our industry to support best practices in corporate governance and transparency related to corporate sustainability." Established in 2009 by the United Nations Secretary-General, the SSE initiative explores how stock exchanges can work together with investors, regulators and companies to enhance corporate transparency – and ultimately performance – on environmental, social and corporate governance issues, and encourage responsible long-term approaches to investment. The SSE is organized by UNCTAD, the United Nations Global Compact, the United Nations-supported Principles for Responsible Investment, and the UNEP Finance Initiative. Currently the SSE has eight partner exchanges that have over 15,000 listed companies. The SSE continues to welcome new exchanges ready to make a voluntary commitment to promoting sustainability practices among their listed companies.

385. Throughout 2013, UNCTAD continued its cooperation with a number of international and regional organizations and development agencies that work towards promoting better accounting, auditing, corporate governance and corporate responsibility disclosure practices.

(a) At ISAR 30, UNCTAD signed a memorandum of understanding (MOU) with the International Integrated Reporting Council. This MOU intends to foster deeper collaboration between the two organizations in an effort to promote the global harmonization and clarity of reporting frameworks, leading to improved effectiveness in corporate reporting practices;

(b) UNCTAD and the Inter-American Accounting Association also signed an MOU last year. The MOU aims at joining efforts to raise awareness and promote the importance of accountancy in developing strong economies on the American continent and contribute to a greater recognition of the value of high-quality corporate reporting, good governance and decision-making leading to better development outcomes.

386. During 2013, UNCTAD contributed to the committee and board meetings of the International Federation of Accountants, including the International Education Standards Board and the Professional Accountancy Organization Development Committee. In the area of environmental, social and corporate governance disclosure, UNCTAD continued contributing to the work of the International Integrated Reporting Committee and to an informal working group on climate change related reporting in partnership with OECD, the Climate Disclosure Standards Board and the Global Reporting Initiative.

387. **Impact:** For more than 30 years, the ISAR working group has been providing member States with guidance and toolkits on a number of corporate reporting topics. These ISAR products have had a positive impact in assisting member States in implementing widely recognized good practices in the areas of financial reporting (including IFRS implementation and accounting for SMEs) and non-financial reporting (including corporate governance disclosure, environmental and corporate social responsibility reporting).

(a) UNCTAD work on financial issues has assisted Belgium, Ecuador, the Netherlands, the Russian Federation and Ukraine in assessing their national accounting infrastructure. Côte d'Ivoire and Ecuador are using the findings as a basis to start developing an action plan to build their accountancy infrastructure;

(b) UNCTAD work on corporate governance disclosure, based on the UNCTAD benchmark of good practices, has assisted a number of member States (Brazil, Egypt, the six Gulf Cooperation Council countries and Trinidad and Tobago) to further develop their institutions for the promotion of corporate governance disclosure. This work on corporate governance disclosure has been praised by the World Bank as a "valuable exercise" that has changed the World Bank's approach on handling these issues;

(c) UNCTAD work in the area of sustainability reporting, including the Sustainable Stock Exchanges initiative, has led to a number of stock exchanges implementing new sustainability reporting requirements or introducing new voluntary sustainability reporting initiatives. The SSE initiative has been welcomed by the World Federation of Exchanges and the International Organization of Securities Commissions as well as national exchanges from a number of member States around the world.

388. **Evidence of impact** can be illustrated at several levels:

(a) Member States participation in ISAR sessions;

(b) A country's commitment and endorsement of ADT recommendations;

(c) The implementation of ADT recommendations though the design of post-ADT action plans;

(d) The number of countries requesting an assessment of their national accounting infrastructure.

389. UNCTAD achievements in the area of corporate transparency, accounting and reporting abound:

(a) The Minister for Economy of Ecuador praised the role of the ADT at ISAR 30. "Participating in the implementation of the accounting development tool has provided as a result an X-ray of the financial and non-financial information available in the country". She added, " Ecuador requests UNCTAD technical support in the process towards the harmonization of the public sector financial reporting, for which we would like to formalize an MOU with UNCTAD in order to implement the action plan that will allow meeting the recommended objectives";

(b) The Chairman of the Ivorian National Accounting Council and Director General of Treasury and Public Accounting said that "[T]he objective of the assessment of our accounting and financial system was on one hand, identifying its strengths and weaknesses, and secondly identifying priority areas to strengthen and requiring assistance". The Ministry of Finance stated that "The National Accounting Council has developed a priority action plan for the period 2013–2017. This is the result of the assessment of our accounting architecture based on the ISAR methodology. I am committed to facilitate the implementation of such action plan";

(c) In the Russian Federation, during a press conference, on 9 December 2013, the Deputy Finance Minister, Mr. S.D. Shatalov, said that "[A]ccording to the results of ADT, we identified a set of activities, which will further improve the infrastructure of the corporate reporting and improve the business and investment climate in the Russian Federation";

(d) In Belgium, officials stated that "The pilot test of ISAR–UNCTAD has been experienced in Belgium as an interesting opportunity to establish a real cartography of our country regarding a lot of aspects of corporate reporting. The approach used by ISAR–UNCTAD has also the advantage of gathering key stakeholders of corporate reporting in Belgium (institutions, PAOs, business sector) and encourages a constructive dialogue between them".

390. The ADT Summary Reports prepared by UNCTAD (Belgium, the Netherlands and Ecuador) also showed a active to strong involvement of stakeholders from public and private sectors, in assessment exercises, leading to a consensus-based assessment of the national accounting infrastructure and identification of key areas for a plan of action.

391. **Requests from member States for an assessment of their accounting infrastructure.** Official requests are in the pipeline for the following countries: Azerbaijan, the Democratic Republic of the Congo, Kenya, Nigeria, Madagascar, Trinidad and Tobago, Ukraine and Zimbabwe.

X. Cluster X: Globalization and development strategies

Lead division: Division on Globalization and Development Strategies

392. The programmes under this cluster (table 10) aim at contributing towards the achievement of the expected accomplishments of the strategic framework related to increased understanding of the global economic environment and of policy choices at the national and international levels, improved empirical and timely statistics and, in the case of

the Occupied Palestinian Territory (OPT), improved policy and institutional capacities and enhanced international cooperation for the recovery and sustained development of the economy. The activities of the Virtual Institute aim at strengthening teaching and research capacities of academic institutions in developing countries and countries in transition to contribute to enhanced knowledge in the fields of trade, finance and investment and the links of these fields to development.

Table 10
Globalization and development strategies

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/6AP	Trust Fund for the UNCTAD Virtual Institute on Trade and Development	2006–	Multi-donor
INT/0T/8CF	Promoting responsible sovereign lending and borrowing	2008–	Norway
INT/0T/BBF[a]	The South and the new paths of development in the twenty-first century	2011–2013	Rockefeller Brothers Fund
RAS/0T/BBW	Development-oriented regional integration in South Asia	2012–	Asian Development Bank
ROA-1245B (AE)	Building capacities in the Asia–Pacific region to address financial implications of external shocks and climate change mitigation through innovative risk-management instruments	2009–	Development Account

[a] Operationally but not financially completed or fully completed in 2013.

A. Development Statistics and Information Branch

393. The secretariat is continuously taking actions to assist developing countries that have decided to improve their statistical capacity in the area of trade and development. In supporting countries in the collection and compilation of statistics, UNCTAD has been receiving a growing number of technical cooperation demands and reached 10 requests in 2013.

394. To improve the statistical capacity of the member countries of the West African Economic and Monetary Union (WAEMU) in the domain of trade in services, UNCTAD and WAEMU signed, in 2013, an agreement for a three-year cooperation project on the development of statistics on international trade in services ("Projet pour la mise en place des statistiques de commerce international des services"), which presently are not prepared by the statistics agencies of UEMOA member countries. The project, with a duration of 30 months, for an estimated amount of US$3.4 million with the goal of putting in place an harmonized mechanism of data collection, treatment and dissemination of imports and exports of services; develop the capacity of member States; establish an electronic database and organize the exchange of information among the member States. The process of an expert statistician who will lead the project is on the way.

395. Economic Research and Policy Department (ERPD) of the Islamic Development Bank undertook a study visit to UNCTAD to acquire knowledge in the calculation and use of trade indicators and the understanding of trade statistics methodologies. As the

immediate out outcome of the meeting UNCTAD agreed to add new Islamic Development Bank's groupings into its regular statistical outputs.

396. Department of Statistics of the African Union Commission visited UNCTAD to receive training on the subject of trade statistics and to facilitate the discussion between statisticians from the African Union Commission and statisticians and economists of UNCTAD. The training aimed at strengthening the capacity of AUC statisticians on the latest international development of statistics on international trade and services and their use in various economic research and policy analysis.

397. UNCTAD provided support to Guinea-Bissau's Ministry of Trade in the creation of an information system on selected important international commodity prices to be installed at Ministry of Trade and used by various stake holders in order to identify appropriate organizations, which are in possession of certain prices. In addition, UNCTAD shared the detailed data sources and compilation methods in order to strengthen statistical capacity in Guinea-Bissau. Also, UNCTAD was requested to collect price statistics on selected commodities.

398. Landlocked developing countries (LLDCs) require comparable international trade in services (ITS) data, a statistical framework, agreed by all countries. It backed by the capacity building initiatives that were put in place at the national and regional levels to facilitate the implementation of the agreed standards on SITS. In this light, at the demand of the Ministry of Trade of Angola, a project of Statistics of International Trade in Services was developed to promote a twinning-project method by identifying countries that are willing to provide their knowledge in assisting the beneficiaries' countries. It aims to stimulate continuous transfer of knowledge and experiences amongst beneficiaries' countries.

399. For identified LLDCs there will be developed a long-term and comprehensive capacity building project, tailored to their needs and capacities in statistics. UNCTAD will lead the project and coordinate it within the Interagency Task Force on Statistics of International Trade in Services (TFSITS).

400. The delegation from the Ministry of Trade and Statistics of Indonesia visited UNCTAD to discuss in depth the topics related to statistics on trade and development and the use of those data in the trade analysis.

401. EIF of the Comoros requested UNCTAD to co-organize a statistical training for customs officers and statisticians. This will be taken further in 2014 in search of the training modalities.

402. The request from the Statistics Department of the Ministry of Trade of Burundi to explore technical cooperation in the data collection of trade in services and equipment was forwarded to United Nations Statistical Department.

403. Smaller scale knowledge sharing activities on the compilation of merchandise and services trade statistics and indicators took place through study visits in Geneva and participation of UNCTAD experts in various regional workshops and working groups.

B. The Virtual Institute on Trade and Development

404. **Development context.** In order to secure beneficial integration into the globalized world economy, developing countries need the capacities to undertake economic analysis, formulate national policies and negotiating proposals for international forums, and implement such policies in a way that would support them in achieving their development objectives. While international expertise can be valuable in this endeavour, such capacities need to be available locally. To build and maintain them in a sustainable manner, academic

institutions (universities and research centres) play an essential role: they educate future decision-makers and can provide analytical inputs to underpin their Governments' economic policy decisions.

405. **Objectives/feature.** In this context, the Virtual Institute (VI), UNCTAD's capacity-building and networking programme for academia, works with academic institutions in developing and transition countries to strengthen their teaching and research of international trade and development issues, and to increase the policy orientation and relevance of their work.

406. **Outputs.** In 2013, the VI membership increased by more than 20 per cent, with 17 new institutions – a record annual increase in participation – joining the programme. Thirteen universities, from Bangladesh, Botswana, Bulgaria, Colombia, the Gambia, Ghana, Nepal, Nigeria, the Russian Federation, Switzerland, Togo, the United Kingdom of Great Britain and Northern Ireland and Zimbabwe, as well as four research institutes from Bangladesh (2), Slovenia and the former Yugoslav Republic of Macedonia became VI members in the course of the year. The VI network thus expanded to include 96 academic institutions in 50 countries.

407. The Virtual Institute continued to provide its member institutions with services in three areas: (a) support to teaching, (b) professional development for academics and (c) cooperation among the members of the VI academic network. These services were complemented by dissemination of UNCTAD's research to the academic community. Members were offered a "menu of services" which allowed them to select those VI services that corresponded to their needs, interests and financial resources.[14] During the period under review, the VI received financial support from the Government of Finland, the United Nations Department of Economic and Social Affairs and the One United Fund for the United Republic of Tanzania. Some of its activities (such as study tours, fellowships, workshops, research seminar, and some dissemination activities) were also funded or co-funded by the beneficiary institutions.

408. In the area of support to teaching, the VI provided curricular advice to universities in Nepal and Zambia on the development of their Master's programmes in International Cooperation and Development, and Trade, Development and International Relations, respectively. Thanks to the financial support from the Government of Finland, the VI also produced teaching materials. At the request of its member in Uganda, and in cooperation with UNCTAD's Division on Globalization and Development Strategies (GDS), it published a teaching module titled "Capital flows to developing countries: When are they good for development?" It also supported adaptation of its teaching materials on foreign direct investment, competitiveness and development, and regional trade agreements to the national/regional context of its member universities in Ethiopia, Kenya and Zimbabwe. The modules focusing on foreign investment policy of Ethiopia, competitiveness of Kenyan manufacturing exports in regional and world trade, and regional integration groupings relevant to Zimbabwe were developed in cooperation with UNCTAD's Division on Investment and Enterprise (DIAE), GDS, and the Division on International Trade in Goods and Services, and Commodities (DITC). Furthermore, the VI organized four 1–2 week study tours with tailored training programmes at UNCTAD, VI partner institutions (WTO, ITC, WIPO, ICTSD, IOM, WHO, ILO, UNDP and CUTS International) and permanent missions for 144 students (including 109 women) from the Caribbean, China, Colombia and the Russian Federation, as well as five shorter sessions for 111 students (74 women) from universities in China, Colombia, Germany, Spain and the Russian Federation.

[14] A detailed report about VI activities in 2013 is available at http://vi.unctad.org/images/files/vi13.pdf.

409. In the area of professional development for academics, the VI organized eight national workshops training 217 academics (67 women) from the least developed countries and Africa. Two of the workshops were delivered in cooperation with the DITC, and one in cooperation with the Special Unit on Commodities. Six workshops requested by VI members in Bangladesh, Ghana, Kenya, Senegal, South Africa and the United Republic of Tanzania focused on quantitative methods for trade policy analysis; the workshop for Mauritius dealt with trade in services, and a second workshop for the United Republic of Tanzania was dedicated to the management of the extractive sector. The workshops organized for the United Republic of Tanzania were funded by the One United Nations Fund for the country, the cost of the workshop for South Africa was covered by the requesting university and the Government of Finland sponsored the remaining workshops. Six academics, from Cameroon, China, Kenya, Nigeria, Senegal and Togo, participated in the eighth round of the VI fellowship programme, working at UNCTAD to develop specific teaching or research projects of interest to their universities. The fellow from China used his own financial resources to fund his travel and stay in Geneva, Switzerland, while the remaining academics were supported by funding from the Government of Finland. The VI trade and poverty project, co-funded by United Nations Department of Economic and Social Affairs and the Government of Finland, moved to its second year in 2013. During that year, 14 researchers (from Argentina, Benin, China, Costa Rica, the Democratic Republic of the Congo, Kenya, Mauritius, Myanmar, Nigeria, Peru, the Philippines, the former Yugoslav Republic of Macedonia and Viet Nam) received extensive mentoring by international experts (including from DITC, ALDC, DIAE, GDS and the WTO) and the VI team to develop papers on trade and poverty issues of policy interest to their countries, in cooperation with their national policymakers. In addition to online mentoring, they also benefited from face-to-face feedback and further training during a workshop on trade and poverty analysis in June 2013.

410. In the area of cooperation among the members of the VI academic network, the VI organized a research seminar which brought together researchers from member universities in Barbados, Brazil, Chile, Colombia, France, Jordan, Morocco, the Russian Federation and South Africa to discuss their research in progress and opportunities for academic cooperation. The participants used their own resources to fund their participation in the seminar. Networking among the members has also been a key factor of North–South cooperation, as members in Germany and Switzerland continued to work with developing and transition country universities on the VI network as part of their own capacity-building projects. The project implemented by VI core German member, the University of Applied Sciences Berlin, granted four fellowships to researchers from three VI member institutions in Brazil, India and South Africa, and supported graduate programmes at VI universities in Belarus and Chile by sponsoring visiting scholars from VI members in India, Germany, Mauritius and South Africa. The Swiss-funded project led by the World Trade Institute in Bern resulted in the development of a new masters programme in international trade policy and law at a VI member in Viet Nam, the Foreign Trade University, which was launched in 2013. The University of Barcelona also continued offering scholarships for its Master in International Economic Law and Policy programme to candidates recommended by VI members. Two alumni of VI member universities in Ethiopia and Morocco were selected to receive the scholarships. The VI also continued to act as an information broker assisting its members in the dissemination of their calls for papers, scholarships and teaching opportunities. Thirty-three e-mail alerts containing approximately 80 academic opportunities were shared with the VI membership.

411. In the area of dissemination services, the VI website (http://vi.unctad.org) continued to provide access to teaching resources, including more than 1,300 papers and studies by UNCTAD and its partner international organizations, to 3,650 individuals from 165 countries. In 2013, the VI developed nine new multimedia teaching resources for its

members, which attracted a total of more than 2,300 hits during the year. The VI provided members with almost 1,200 UNCTAD publications to enrich their libraries. It also organized a record 17 videoconferences disseminating the findings of UNCTAD flagship reports (TDR, WIR, IER, EDAR), as well as other research of the organization, to 678 university students, lecturers and researchers (377 women) in Belarus, Colombia, Kenya, Peru, South Africa and the Russian Federation. The "News" section of the site was kept active, with 61 news items published in 2013. Four quarterly VI electronic newsletters were produced and distributed to nearly 5,600 recipients. VI members in Bangladesh, Jordan and the former Yugoslav Republic of Macedonia also organized official launches of the *Information Economy Report 2013* in their countries.

412. **Results.** The Virtual Institute contributed to enhanced teaching and research of trade and development issues at member institutions and increased policy orientation of their work by providing support for the development of both individual and institutional capacities in this area.

413. In terms of its impact on individuals' (academics' and students') professional capacities, the VI:

(a) Provided university students and staff at member academic institutions with up-to-date teaching resources and materials on topical international economic issues and related national policies which are relevant for/adapted to the specific contexts of their countries. UNCTAD publications and the VI teaching module developed in 2013 enriched libraries of VI members, thereby providing students of economics, law, business and international relations with up-to-date sources relevant for their studies. The localized materials will serve as class readers and sources of review questions and activities for students of international economic law in Ethiopia, and international economics in Kenya and Zimbabwe.

(b) Enhanced academics' research skills, the policy orientation of their work, and their capacity to teach topical international trade and development issues through national professional development workshops, VI fellowships and "learning by doing" during local adaptations of VI teaching materials and research projects on trade and poverty mentored by international experts. In the end-of-event questionnaires, all participants of VI professional development workshops stated that these had strengthened their knowledge and skills on the problematiques covered. They also gave concrete examples of how they will use their new knowledge in their future teaching or studies, research and work for the government or the private sector. VI fellows advanced with the development of research methodologies and collection of data for their papers, some of which were already finalized and submitted for publication. A proposal for a masters programme in International Economics and Trade developed by a fellow from Kenya was submitted to the competent authorities of his university for inclusion in the regular course offer. Academics benefiting from VI mentoring acknowledged its usefulness for the development of their trade and poverty papers, as it helped them fine-tune the scope of their research, integrate new ideas and deal with technical aspects of their empirical analysis.

(c) Improved students' knowledge of international economic issues and understanding of policymaking processes through interaction with international experts from UNCTAD, WTO, ITC and other organizations, as well as the representatives of permanent missions, during VI study tours and videoconference presentations by UNCTAD staff. This helped the students be better prepared to deal with practical trade and economic policy issues in their future careers.

414. In terms of institutional impact, the Virtual Institute:

(a) Through targeted professional development activities for academics, contributed to the establishment of larger teams of lecturers/researchers at academic

institutions who have strengthened their trade-related competencies and skills, and are now involved in teaching and researching these issues. On average, seven staff per member institution are currently involved in the Virtual Institute;

(b) Contributed to the enhancement of undergraduate and graduate programmes and courses on trade and development issues, and the strengthening of research teams working on trade and development issues at member institutions. New master programmes were launched in Nepal and Zambia, university courses benefited from new teaching materials, and policy-oriented research projects were finalized by developing country academics.

(c) Supported academic cooperation (both South–South and North–South) and the creation of a community of practice in trade teaching and research among its members and contributed to the strengthening of their capacity to interact, share and cooperate across different countries and cultures.

C. Economic Cooperation and Integration among Developing Countries

1. Project on "Promoting regional value chains in sub-Saharan Africa"

415. **Development context.** Sub-Saharan Africa has enjoyed high growth since the beginning of the last decade; however this growth has not led to structural transformation in African countries. In fact, many of the high-growth economies have experienced a rise in their poverty and inequality levels. An important reason for this has been the nature of growth which has been commodity-led, resulting in a "jobless growth" with limited positive impact on the rest of the economy. Thus, it could be characterized as a variant of the "resource curse". One of the central policy challenges facing these countries is to diversify their production and export baskets. However, diversification of exports may not be easy for these countries, since the region lags behind other regions in terms of infrastructure, sophistication of technology as well as in main development indicators. Regional economic integration in Africa can play an important role through pooling of available resources. This can facilitate export and product diversification and build regional competitiveness. Share of manufactures in regional trade is much higher than that of trade with the rest of the world, indicating that regional trade can help in adding value to exports of African countries. In spite of the benefits of regional integration, intra-Africa trade has remained low at around 12 per cent of continent's total trade. The growing financial resources of many countries due to commodity boom and presence of a fast growing emerging economy within the region has raised the possibility of greater and more productive r gional integration. There is a need for exploring the possibilities of forming production value chains within the region and developing the potential for intra-industry trade.

416. **Objectives and features.** In this context, Unit of Economic Cooperation and Integration among Developing Countries (ECIDC) in UNCTAD has initiated a project in collaboration with Commonwealth Secretariat and African EXIM Bank on "Promoting regional value chains in sub-Saharan Africa". The one year project, which was initiated in May 2013, entails extensive research to identify potential regional value chains (RVC) in leather industries in Africa. Similar research was undertaken in leather industries, agro-processing industries and textiles and clothing by UNCTAD in collaboration with Commonwealth Secretariat and Asian Development Bank for the project on South Asia, which was successfully completed in May 2013. The successful completion of the project brought forward the request from Commonwealth Secretariat to UNCTAD for a similar project in sub-Saharan Africa.

417. The main objective of the project is to promote developmental regionalism in sub-Saharan Africa by identifying and encouraging potential regional value chains. A sectoral

approach is taken whereby regional value chains are identified for leather industries in sub-Saharan Africa. Leather and leather products (LLP) industry provides a tremendous opportunity to the region to form regional value chains and add greater value to the region's exports. At present, the region is the largest source of the basic raw material of the industry, i.e. leather and exports it with little value addition. Further, the region's global imports of leather products have been steadily rising during the past two decades. Nevertheless, the industry has the potential to initiate regional value chains and raise export competitiveness and domestic value-addition in many countries of the region. Given the labour-intensive nature of the industry, it can also generate large scale employment for low skilled labour. The study identifies three regional trade blocs in sub-Saharan Africa which have the potential for forming RVCs in LLP. These are COMESA, ECOWAS and SACU. These three regional trade blocs together contribute around 98 per cent of exports and 99 per cent of sub-Saharan Africa's imports of leather and leather products. It comprises 40 countries (out of total of 48 countries in sub-Saharan Africa).

418. **Outputs.** The study undertook a pioneer approach in identifying regional value chains in leather sector in sub-Saharan Africa at six-digit disaggregation. It identified the inputs, semi-processed outputs, finished products and other inputs like chemicals and the like, that are used in leather products and identified the ways in which African countries can link into regional value chains.

419. **Three Lists are identified for each of the 40 countries, indicating the ways in which a country can link into the regional value chains.** First, list of outputs or finished leather products, where the country has potential to export to the regional and global markets. Second, list of inputs, i.e., primary and processed leather including other identified inputs (for example, chemicals used for dyes), which can be sourced by the country from the region at a lower cost compared to what it is currently importing from outside the region, although the region has the supply capacity. Third, list of leather and leather products where the country needs foreign direct investments to engage in the RVC of leather industry. These are products where the country has competitive advantage in the region but does not have the supply capacity to fulfil regional demand.

420. Further, a list of products has also been identified where a country has the potential to become an investor in the region and undertake intraregional investments. An attempt is made to identify the potential investors in the region across different leather and leather products. If a country is competitive in the region and has higher global exports than the existing demand in the region, it is identified as a potential investor in this sector as it has the capacity as well as competitiveness to invest.

421. The study estimates dynamic gravity model for the period 2002-2011 and arrives at the potential trade in leather and leather products in Africa. It also estimates potential trade for different regional economic communities like COMESA, ECOWAS and SACU. This provides economic justification for forming regional value chains in this sector.

422. Policies at country as well as regional level are identified and strategies are suggested for initiating and promoting regional value chains and gainfully linking into global value chains. Policies for encouraging intraregional foreign direct investments are suggested.

423. The study proposes and discusses the role of the Leather Industry Association of sub-Saharan Africa in initiating and promoting regional value chains. It also explores the possibility of signing regional investment agreements and setting up of regional design studios.

424. UNCTAD provided the conceptual and intellectual leadership in implementing the activities envisaged. Inputs were provided which included background research, in-house

experts and managerial staff, global networks of researchers and practitioners, in-house databases on national and international policies as well as administrative support.

425. **Results.** The study under the project was discussed and endorsed in two regional industry consultations. These regional workshops were hosted by COMESA Leather and Leather product Institute (LLPI) in Addis Ababa, Ethiopia on 6–7 June 2013 and East African Chamber of Commerce (EACC) on 11–12 December 2013 in Nairobi, Kenya. The workshops were attended by 100 participants from 30 African countries, which included industry associations heads, high-level policymakers, academia, media and other stakeholders.

426. Subsequent to the workshops, a MOU was signed between Federation of Indian SME and COMESA LLPI on sharing of technology.

427. COMESA LLPI has received requests from 4 countries for using UNCTAD's study to strengthen their linkages into regional supply chains in leather in sub-Saharan Africa.

428. The project is driven by demand as it was initiated after successful completion of a similar project in South Asia on the request of the funders.

429. Based on the success of the workshops under the project, further demand has been received by COMESA Secretariat to ECIDC, UNCTAD to undertake similar project for identifying and promoting regional value chains in Africa in mining and pharmaceutical sectors.

D. Macroeconomic and Development Policies Branch

1. Technical assistance in the form of advisory services provided to the Group of 20 processes on trade and finance

430. Over the course of the Russian Presidency in 2013, UNCTAD/DGDS participated as an observer in four face-to-face meetings of the Group of 20 *Framework Working Group (FWG) on Strong, Sustainable and Balanced Growth* and contributed (a) two technical papers in relation to global financial markets, job creation and growth and (b) a "scoping note" on two key reform areas (incomes policy for addressing inadequate demand; and financing the real economy for meeting the new pattern of demand) to guide the Group of 20 FWG discussions on growth strategies under the Australian Group of 20 Presidency. UNCTAD/DGDS also closely followed the deliberations of the Group of 20 FWG through six conference calls as the Group drafted the St Petersburg Action Plan or started to discuss the 2014 Brisbane Action Plan. The Division also participated in one face-to-face meeting of the Group of 20 *Energy Sustainability Working Group (ESWG)*, i.e. the successor to the Energy and Commodity Markets Working Group under the Mexican presidency, and commented on the draft of the report on the Group's activities and recommendations that the Group's chairs sent to the leaders through the Ministers of Finance. UNCTAD/DGDS also intervened at three ESWG outreach activities (held in Geneva, Paris and Saint Petersburg), which addressed issues related to the financialization of commodity markets. UNCTAD/DGDS also closely followed the deliberations of Group of 20 *ESWG* through three conference calls.

431. UNCTAD/DGDS technical papers and analyses circulated to the Group of 20 in 2013 under the finance track were:

(a) "*Background note: The rising sea of global financial markets*", UNCTAD contribution to the Group of 20 Framework Working Group for the discussion on spillovers, January 2013.

(b) *"Global spillovers of macroeconomic policies onto the real economy"*, UNCTAD contribution to the Group of 20 Framework Working Group session on spillovers, April, 2013.

(c) *"Background note: Employment generation in an ailing world economy"*, UNCTAD contribution to the Group of 20 Framework Working Group for the Seminar on Consistency between Macroeconomic and Labour Policies, November 2013.

2. Courses delivered in the framework of paragraph 166

432. UNCTAD organized a workshop which started the Development Account project, involving Central and Western African and South American countries.

433. MDPB continued to contribute to the annual "Short courses on key issues on the international economic agenda for delegates from permanent missions in Geneva". In 2013, the course examined recent global income and trade trends and their implications for developing countries. Session 1 introduced the latest world economic outlooks from international institutions and debated the implications of their areas of consensus and divergence. Session 2 examined the collapse in global trade that occurred from 2008–2009 and the implications for developing countries of its related effects on product and country-specific export performance. Session 3 showed how industrial policies and South–South economic integration can help take advantage of the new export opportunities and avoid the middle-income trap.

434. On three occasions during 2013 MDPB prepared and taught at several four-day-long regional training sessions titled "Trade, financial flows, macroeconomic policies and development in a globalizing economy", launching the twenty-sixth, twenty-seventh and twenty-eighth paragraph 166 regional courses. Each course is directed to the needs of the region involved, which in 2013 included Latin America and the Caribbean (held in Medellín, Colombia); Africa (held in Mauritius); and the Asian region (held in Singapore.) These training courses are offered on a competitive basis to mid-career policymakers and delegates from United Nations member countries.

435. In December 2013 MDPB hosted an expert Workshop on Regional Financial and Monetary Cooperation, with a focus on selected countries of Latin America and the Caribbean, and West and Central Africa, as part of a Development Account project. Held in Geneva, the Workshop discussed the current state of knowledge regarding existing mechanisms for regional financial and monetary cooperation, and highlighted key areas where further research and better understanding is needed. This Workshop also served to identify potential partner institutions and experts in the regions, to continue work in 2014. A background note highlighting potential areas for future work for the Division was disseminated after the meeting.

E. Special programme: UNCTAD assistance to the Palestinian people

436. **Development context.** The persistence of the Israeli occupation and its manifestations in restrictions on mobility, loss of land, the erosion of the productive base, poverty and unemployment, among others, made economic and social development more difficult to attain in the Occupied Palestinian Territory (OPT) in 2013. Additionally the chronic Palestinian fiscal crisis has exacerbated economic and political uncertainty. In 2013, the contraction of the Palestinian fiscal policy space has significantly reduced the Palestinian Authority's (PA) ability to inject fiscal stimulus into the economy. This will have a negative impact on the sustainability of the observed economic growth. The Palestinian fiscal crisis along with the decline in aid inflows revealed the impact of the occupation on the welfare of the Palestinian people.

437. The necessary, but not sufficient, donor support significantly dwindled in 2013, which might reflect some signs of donor fatigue. However in the case of the OPT, the main cause of donor fatigue could be the occupation and its manifestations as reflected in denying the Palestinian people their right to development and self-determination, and the basic human right to move freely from one place to another. In this light, consistent aid flows are necessary for the relief of the Palestinian fiscal crisis and the reduction poverty in OPT, and should be supported by efforts to persuade Israel to shoulder its obligations under international law.

438. Additionally worrisome is the unfolding situation in Gaza. As a result of the almost complete commercial blockade, economic deceleration was pronounced in all areas, particularly in agriculture and fishing. Growth in OPT, and especially Gaza, is weak in light of the low base of economic activity, unemployed and underemployed human, physical and natural resources, and continuous erosion of the Palestinian productive base. This is directly linked to measures imposed by the occupation authorities, such as land expropriation, expansion of illegal settlements and denying Palestinians access to natural resources.

439. The development context of the OPT remains among the most complicated, not only in the region, but globally. Therefore, efforts to further the endeavours of economic and political development are necessary, but the potential capacity cannot be realized without an end to the occupation. Therefore the situation in OPT requires careful thought out strategies and initiatives that could address the needs of the Palestinian people without discrediting the right to live freely on their land and in a sovereign State as called for by the relevant United Nations resolutions. This is the premise under which the UNCTAD secretariat formulates and implements its technical cooperation projects and extends its advisory services for the fulfilment of economic and political development for the Palestinian people.

440. **Objectives/features.** In 2013, and in line with United Nations Strategic Framework for 2012–2013, UNCTAD's work is guided by paragraph 31 (m) of the Doha Mandate, paragraph 44 of the Accra Accord, paragraph 35 of Sao Paulo Consensus. UNCTAD's programme of assistance to the Palestinian people addresses the Palestinian economy's constraints and emerging needs through the four clusters: (a) trade policies and strategies; (b) trade facilitation and logistics; (c) finance and development; and (d) enterprise, investment and competition policy. In particular, and for the last three decades, UNCTAD carried out research, technical cooperation projects and provided advisory services, in close cooperation with the PA, the Palestinian private sector, civil society organizations, and with the United Nations and international agencies. The programme aims to strengthen the institutional capacity of the PA and the Palestinian private sector, and to contribute to the development of the institutional capacities required for the efficient functioning of the economy of a future independent Palestinian State.

441. **Outputs.** In 2013, UNCTAD's contribution to the Palestinian private sector was visible through institution-building and transitioning of the Palestinian Shippers Council (PSC), as the main trade facilitation Palestinian body that serves the private sector. The objective of UNCTAD activities is to build the knowledge base of the Palestinian shippers (exporters and importers) by consolidating the institutional capacity of the PSC; increasing shippers' awareness of the best practices on trade facilitation; and strengthening national capacities by providing training and advisory services to Palestinian shippers and policymakers in the area of trade facilitation.

442. Through UNCTAD's implementation of the "Developing Palestinian trade facilitation capacity" project, with funding from Canada, three functional units were established in the PSC: Legal, Technical and Research, and Training. Under the auspices of UNCTAD, the PSC conducted 12 training workshops in various geographic locations in OPT, covering, among other areas, dry ports and bonded warehouses; managing the import

and export of goods; import supply chain; contracts in in international sales; export procedures; import regulations for food and agriculture sector; alternative dispute resolutions; and methods of payment and insurance on goods. Additionally in 2013, UNCTAD recruited for the PSC training, legal and technical consultants. UNCTAD also recruited a number of international experts to develop the material for an eight-module trade facilitation training programme. In contributing to the area of research and policy analysis, UNCTAD finalized a paper on Palestinian control over trade under this project.

443. As the PSC became more visible in the provision of legal and technical services, 23 members reactivated their membership and 10 new members joined the PSC. New partnerships were forged with the PSC signing three Memorandums of Understanding with the Palestinian Chambers of Commerce, Industry and Agriculture, the Institute of Law at Birzeit University and the Palestinian Business Women Forum.

444. Similar to previous years, and in collaboration with the United Nations Division for Palestinian Rights, UNCTAD hosted and trained two Palestinian staff from the Ministry of National Economy. The training introduced the trainees to the United Nations system in Geneva, covering in particular UNCTAD's scope of work, including the annual meeting of the Trade and Development Board.

445. With UNCTAD's reputation in the implementation of projects, research and provision of advisory services in the context of OPT, the United Nations Committee on the Exercise of the Inalienable Rights of the Palestinian People approached APPU to draft a concept note on the various economic dimensions of occupation. Additionally UNCTAD was approached to participate in, and make a contribution to, an international conference on the role of trade in promoting economic development of Palestine for which APPU delivered a presentation on the integration of Palestine in international markets.

446. UNCTAD was also approached by the regional United Nations Development Group of Arab States to contribute to the Arab Development Forum particularly in the Working Group on poverty reduction, inclusive growth and employment generation.

447. Finally, UNCTAD provided advisory services to the United Nations country team in OPT for the preparation of the United Nations Development Assistance Framework (UNDAF) under two clusters: (a) economic empowerment, livelihoods, food security and decent work; and (b) governance, rule of law, justice and human rights.

448. **Results.** (a) UNCTAD's project on developing Palestinian trade facilitation capacity and its advisory services to the PSC established a full curriculum for a professional training programme inclusive of technical, theoretical and practical knowledge of import export management. The first of its kind in OPT, and in the region, eight modules are being piloted based on the knowledge of national and international subject matter experts, with adaptation of international material to the Palestinian context. Under the project, UNCTAD established three units: the legal, technical and training, each with a clear mandate. (b) UNCTAD contributed to enhancing and building Palestinian human capital of PA institutions as two PA staff members are now well versed and equipped to deal with the United Nations system, its Secretariat and agencies. (c) UNCTAD had a lead role in the provision of advisory services on the economic dimensions of the occupation to the United Nations Committee on the Exercise of the Inalienable Rights of the Palestinian People, with a final concept note on the dimensions of occupation, with clear definition of the actions and methodology that should be followed. (d) UNCTAD contributed to the approaches and methods envisioned to reduce poverty, attain inclusive growth and generate employment opportunities in the Arab world, with UNCTAD's policy approaches reflected in the final document of the Arab Development Forum of the Working Group on poverty reduction, inclusive growth and employment generation. (e) Through its advisory services, UNCTAD had a lead role in showing how trade could promote economic development in the

Palestinian context, with specific recommendations for the PA and regional parties to consider. The recommendations made by UNCTAD were included in the final report of the conference on the role of trade in promoting economic development of Palestine. (f) Under interagency cooperation, UNCTAD had a major role in the United Nations country team in OPT on two clusters of the UNDAF: (a) economic empowerment, livelihoods, food security and decent work and (b) governance, rule of law, justice and human rights, with concrete recommendations reflected in the final UNDAF.

XI. Cluster XI: Strengthening the debt-management capacity of developing countries

Lead division: Division on Globalization and Development Strategies

449. The programme in this cluster encompasses the activities of the Debt Management and Financial Analysis System (DMFAS) programme in support of promoting economic policies and strategies at national, regional and international levels that are supportive of sustained growth, inclusive and sustainable development, employment creation, and hunger and poverty eradication in developing countries (table 11).

Table 11
Strengthening the debt-management capacity of developing countries

Project number	*Short title*	*Period covered*	*Source of fund*
ARG/0T/8BL	Strengthening public debt-management capacity in Argentina	2008–	Argentina
ARG/0T/8BU[a]	Fortalecimiento de la capacidad de gestión de la deuda pública de la Provincia de Buenos Aires	2008–2013	Argentina
BGD/0T/BBY	Capacity-building for integrated debt management in Bangladesh	2012–	World Bank
CMB/0T/BBX	Consulting services for technical assistance in the area of debt management	2012–	African Development Bank
EGY/0T/9AG	Strengthening public debt management	2009–	Egypt
ELS/0T/CAM	Strengthening Public Debt Management	2013	El Salvador
GAB/0T/9AT[a]	Renforcement des capacités d'études et modernisation des outils informatiques de gestion de la dette	2012–2013	Gabon
GEO/0T/BAR[a]	Strengthening public debt management	2011–2013	Georgia
HAI9X89M[a]	Renforcement des capacités de gestion de la dette	1998-2013	Haiti
HON/0T/BAU	Strengthening Public Debt Management	2012	UNDP
INS/0T/ABB	Strengthening public debt management	2011–	Switzerland
IRQ/0T/BCI	Implementation of DMFAS 6 in Iraq	2013-	Iraq

Project number	*Short title*	*Period covered*	*Source of fund*
IVC/0T/BCF	Projet de modernisation des outils informatiques et de renforcement des capacités de gestion de la dette SYGADE 6 en Côte d'Ivoire	2013-	Côte d'Ivoire
LAO/0T/AAV	Implementation of DMFAS 5.3	2011–	World Bank
LEB/0T/BDG	Implementation of DMFAS 6.0 in Lebanon	2013-	Lebanon
MAG/0T/BBH[a]	Renforcement des capacités de gestion, d'analyse de la dette de Madagascar par la mise en place de la version 6 de SYGADE	2012–2013	Madagascar
NIC/0T/BAG	Strengthening Public Debt management	2013-	Nicaragua
OMA/0T/9AD	Strengthening public debt management	2009–	Oman
PAN/0T/9AA	Fortalecimiento de las capacidades para la gestión de la deuda en Panamá	2009–	Panama
PAR/0T/AAY	Control y administración de la deuda pública	2011–	Paraguay
PHI/0T/8AB	Implementation of UNCTAD's DMFAS System within the Bangko Sentral ng Pilipinas	2008-	Philippines
PHI/0T/ABK	Strengthening debt management in the Bureau of the Treasury	2011–	Philippines
PRC/0T/AAQ[a]	Capacity-building in debt management within the Caisse Congolaise d'Amortissement	2011–2013	Congo
TOG/0T/8AN	Renforcement des capacités de gestion et de production de statistiques de la dette a la Direction de la Dette Publique	2008-	African Development Bank
UGA/0T/AAW	Strengthening of debt-management capacities at the Ministry of Finance, Planning and Economic Development	2011–	Uganda
UGA/0T/BCG	Strengthening public debt management	2012–	Uganda
VEN/0T/5AC[a]	Proyecto para la Implementación del SIGADE 5.3 y los enlaces con los Sistemas de Análisis Integración Financiera (SIGECOF II)	2005–2013	Venezuela (Bolivarian Republic of)
ZAI/0T/BBB	Renforcement des capacités de gestion de la dette en la République démocratique du Congo	2012–	Democratic Republic of the Congo
ZIM/9X/9DN	Implementation of DMFAS 5.1	1999–	Zimbabwe
ZIM/0T/BDB	Strengthening Public Debt Management	2013–	Zimbabwe
INT/0T/2AO	Strengthening the debt-management capacity of developing countries	2002–	Multi-donor

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/9BJ	Support to DMF activities organized by the World Bank	2009–	World Bank
INT/0T/BBZ	Strengthening the debt-management capacity of developing countries	2012–	European Commission
ROA-2245(R7)	Strengthening capacity for effective asset and liability management in national debt-management offices	2011–	United Nations Development Account

[a] Operationally but not financially completed or fully completed in 2013.

A. Debt and Development Finance Branch

450. UNCTAD Project on Promoting Responsible Sovereign Lending and Borrowing and Debt Workout mechanism made further important progress in 2013. In addition to seek for voluntary endorsement of the Principles on Responsible Sovereign Lending and Borrowing, the Guidelines on the Principles were drafted in 2013. Expert discussions have been going on about the various drafts for the purpose of making the guidelines more user-friendly. Relating to the work on sovereign debt workout mechanism, a Working Group was set up comprised of experts from legal and economic background and also representatives of different stakeholders. In July 2013 the first official meeting of the UNCTAD Working Group on Debt Workout Mechanism was held in Geneva. High-level representatives from, inter-alia, internationally renowned legal and economic experts, multilateral institutions, the private sector, civil society, participated in this meeting in line with the project's objective to give a voice to all relevant stakeholders. Several working papers have been drafted to examine the important characteristics a potential mechanism should have.

451. For the project on managing globalization and integration, GDS/UNCTAD organized another seminar in China in 2013 with the participation of government officials from nine developing countries.

452. UNCTAD's project on "Strengthening Capacity for Effective Asset-and Liability Management in National Debt Management Offices" (Development Account) aimed to strengthen the institutional capacity at the national level in six developing countries from the Africa (Ethiopia, Uganda and Zambia) and Latin America and Caribbean (Argentina, the Plurinational State of Bolivia and Mexico) regions to manage their public debt and developing the capacity to move to a debt management approach based on an integrated Asset and Liability Management (ALM) framework. In 2013, the project held several activities at the national and regional level. In the Plurinational State of Bolivia the project held a national workshop with both the Central Bank and the Ministry of Finance that introduced the basic elements of asset and liability management and debt portfolio analysis. A regional workshop in Johannesburg, South Africa on Asset and Liability Management, with special emphasis on the experience of the National Treasury of South Africa. The National Treasury of South Africa also hosted a study tour for participants from Ethiopia, Uganda and Zambia to get introduce participants to both the theoretical and practical aspects of implementing an ALM strategy by studying the case of South Africa. Additional activities included conclusion of the studies of the Contingent Liabilities and on Lending Practices of Zambia and the initiation of the study "Unifying the Domestic Sovereign Debt Market and Harmonizing Foreign Asset Management: The Case of Chile". The project also completed three analytical studies relating to Asset and Liability Management, which include "Implementing Sovereign Asset and Liability Management in Developing

Countries", "Aid, Shocks and Capital Flows to Developing Countries" and "Sovereign Asset and Liability Management for DMOs: What Do Country Experiences Suggest?".

B. The Debt Management and Financial Analysis System programme

453. **Development context.** Effective debt management is an intrinsic part of sound public financial management and overall good governance. Active public debt management is also an important tool for ensuring that countries maintain sustainable levels of debt, in pursuit of their broader development objectives.

454. Debt management remains a challenge for most developing countries. To attain sustainable debt levels and to use debt instruments as an efficient tool for development, prudent debt management and the availability of reliable and timely debt data are essential. Many governments lack the appropriate institutional, human and technical capacity for handling public resources and liabilities more effectively.

455. The financial crisis has emphasized the critical role that effective debt management plays in achieving debt sustainability in developing countries and has reinforced the continued relevance and need for the DMFAS programme's work. The availability of reliable and timely debt data is essential for prudent risk analysis and the elaboration of government strategies aimed at ensuring sustainable debt levels.

456. The DMFAS programme is committed to providing sustained support for development. Over a period of over thirty years, it has supported the changing debt management needs and challenges of 106 institutions in some 69 countries. Having originated as a means to help countries build good external debt databases, the programme's scope has gradually widened to helping countries manage public domestic as well as private external debt. It has also expanded in terms of the debt management functions that it supports, from debt recording to assisting countries in debt data validation, debt statistics, debt portfolio review, in basic debt analysis and in producing data critical to risk analysis, debt sustainability analysis and strategy formulation.

457. The DMFAS programme's role in helping developing countries strengthen their debt management can be seen against the background of major UNCTAD conferences, including the 2013 UNCTAD Debt Management Conference, the 2012 UNCTAD XIII Conference, along with numerous United Nations resolutions on debt and development, the 2009 Conference on the World Financial and Economic Crisis and Its Impact on Development, the Monterrey Consensus, the Doha Declaration on Financing for Development, the Millennium Development Goals and other internationally agreed development commitments.

458. The General Assembly resolution 68/202 on "External debt sustainability and development" (adopted 20 December 2013): (paragraph 33) invites the United Nations Conference on Trade and Development, the International Monetary Fund and the World Bank, in cooperation with the regional commissions, regional development banks and other relevant multilateral financial institutions and stakeholders, to continue and intensify cooperation in respect of capacity-building activities in developing countries in the area of debt management and debt sustainability; (paragraph 34): acknowledges that timely and comprehensive data on the level and composition of debt are necessary for, inter alia, building early warning systems aimed at limiting the impact of debt crises, calls for debtor and creditor countries to intensify their efforts to collect data, and calls for donors to consider increasing their support for technical cooperation programmes aimed at increasing the statistical capacity of developing countries in that regard.

459. In the Doha Mandate, specific reference is made to the programme's work reaffirming inter alia, the importance and the role of the DMFAS programme in supporting

effective debt management. The Mandate states: "UNCTAD should... continue... providing technical assistance and support for developing countries in building national capacities through the DMFAS programme, in cooperation, where appropriate, with the International Monetary Fund, the World Bank and other stakeholders".

460. **Objectives/features.** The aim of the DMFAS programme is to help developing countries and countries with economies in transition build their debt management capacity, in support of good governance, development and poverty reduction.

461. Among the key challenges faced by developing countries in managing debt include dealing with high staff turnover and the updating of skills, organizational procedures and information management systems in order to keep pace with the dynamic changes in global finance and public financial management practices. The DMFAS programme provides direct support to countries for addressing those challenges.

462. By working directly with the countries, along with international and regional organizations involved in debt, the programme identifies best practices in debt management, and translates them into specialized products and services. These are shared with countries through technical cooperation projects, and through international and regional conferences and workshops. The DMFAS products and services are global public goods.

463. The DMFAS programme provides countries with the following capacity building services: (a) provision of a specialized system designed to meet the operational, statistical and analytical needs of debt managers and bodies involved in developing public debt strategies, and training in its use; (b) advisory services, including needs assessments and advice on technical, administrative and institutional debt management issues, and assistance in software installation and maintenance; (c) capacity-building in debt management skills, including through the programme's modules on debt data validation, statistics and debt portfolio analysis.

464. **Outputs/description of activities.** The DMFAS programme supported capacity-building in debt management at the national, regional and international levels throughout the year, through the organization of on-the-job training, national and regional workshops, study tours and interregional seminars, as well as through needs assessments and project evaluation missions.

465. In addition to ongoing permanent support provided to countries via its central operations, the DMFAS programme managed 26 operational projects at the country level. Six new project agreements were signed in 2013 with El Salvador, Honduras, Lebanon, Nicaragua, Zambia and Zimbabwe, and one addendum was signed with Madagascar.

466. The new projects are aimed at updating the DMFAS to version 6, and providing relevant additional training.

467. The programme continued to pay particular attention to the needs of heavily indebted poor countries (HIPCs). Half of all countries that were qualified or eligible or potentially eligible for the HIPC initiative were DMFAS clients. In addition to training and advice in debt management, and providing a system containing features linked to HIPC relief, the programme's assistance in helping countries build comprehensive debt databases actively contributes to their chances of reaching completion point. In 2012, half of all countries (20) with HIPC status were DMFAS beneficiaries. Moreover, DMFAS clients included 20 LDCs, LLDCs and 3 SIDS.

468. Successful implementation of DMFAS 6 software continued in 2013 through its installation in eight additional countries. At the end of 2013, the DMFAS 6 software was installed in 26 countries and 31 institutions. This web-enabled version of the software

caters to the latest institutional and operational needs of government debt management offices and the comprehensive coverage of all types of debt instruments.

469. In 2013, DMFAS organized 103 national and regional capacity-building missions. These included on-the-job training, national and regional workshops, study tours, and needs assessment and project evaluation missions. Over 550 debt officials benefited from this capacity training, during which their debt management, procedures, reporting and analytical skills were strengthened.

470. The programme continued its support to governments in linking debt management to other government financial management systems. It also continued to explore the linking of DMFAS with aid management systems. Nineteen countries currently link DMFAS with other financial management systems, with some upgrading their existing links in 2013 to be compatible with DMFAS 6.

471. Extensive support, including assistance and advice on a wide range of functional and technical issues, was made available by the helpdesk to all DMFAS system users throughout the year. The helpdesk responded to a total of 371 DMFAS user queries.

472. The programme also continued to intensify its collaboration with other providers of technical assistance in debt management. Collaboration included the regular sharing of information on technical assistance activities, such as mission schedules and reports, the organization of joint workshops, participation in each other's events (including providing resource persons) and contribution to and support for each other's activities and efforts. In particular, this included in 2013 active collaboration with the Debt-management Facility of the World Bank (participation in 14 DMF activities) and with other regional organizations including the Macroeconomic and Financial Management Institute of Southern and Eastern Africa (MEFMI). Within UNCTAD, the DMFAS programme and the Debt and Finance Analysis Unit (its sister unit within the Debt and Development Finance Branch) maximized synergies between their respective areas of work. This In 2013, key examples of collaboration included the successful organization of the ninth UNCTAD Debt Management Conference, input to a number of UNCTAD and United Nations reports, close collaboration in the development and delivery of the DMFAS Programme's capacity-building module in debt portfolio analysis, and joint training events to the ongoing asset management liability project.

473. **Results.** In 2013, 83 per cent of all DMFAS country beneficiaries since the launch of the programme in 1981 continued to adopt the DMFAS for the management of their day-to-day debt. Nearly all have reached the capacity of maintaining a regularly updated and validated database and are able to use it for monitoring and internal reporting, thus contributing to good governance and transparency. The majority of these clients use the DMFAS for day-to-day debt operations and producing internal managerial reports. Moreover, 85 per cent of DMFAS clients were using the DMFAS software for external reporting purposes and the production of debt statistics. Thirty-four countries were regularly publishing official statistical bulletins and, this year, five countries produced draft debt portfolio reviews as a result of technical assistance activities (Congo, Democratic Republic of the Congo, Honduras, Panama and Paraguay); two countries produced data validation calendars (Indonesia and Lebanon) and three countries drafted debt statistical bulletins (Congo, Oman (follow-up workshop) and Paraguay (follow-up workshop)).

474. In addition, as a result of the programme's assistance in helping countries in their reporting requirements, 88% of DMFAS-client countries effectively reported to the World Bank through the Debtor Reporting System. Thirty eight of DMFAS clients are participating in the Quarterly External Debt Statistics database of the International Monetary Fund. Moreover, 75 per cent of the DMFAS user countries (21 out of 28 DMFAS

user countries) that accepted to report to the IMF–World Bank PSD database effectively reported for 2013.

475. By the end of 2013, DMFAS 6 was being actively used by 31 institutions in 26 countries, with 8 new installations during the year (namely Bangladesh, El Salvador, Iraq, Lebanon, Nicaragua and Zimbabwe).

476. As part of the continuing efforts to further improve its services, the Programme mandated independent evaluators to conduct a mid-term review (MTR) on the implementation of the 2011–2015 strategic plan. Based on its findings, the MTR concluded that the DMFAS is achieving its long-term strategic goal of strengthening the debt management capacity of beneficiary governments, and that it is strengthening the clients' operational, statistical and analytical debt management functions. It found that the Programme continues to be highly relevant for developing countries, bilateral donors and other organizations and that there is a high level of satisfaction among users of its products and services. The findings and recommendations of the MTR were presented at the 9th DMFAS Advisory Group meeting in November 2013 which appreciated the positive conclusions of the independent evaluation.

477. Donors, at the Annual DMFAS Donors meeting in November, appreciated the results of the MTR and declared that in their view "the DMFAS Programme is performing very well" considering the challenging context. Donors also appreciated the high level of participation at the ninth DMFAS Advisory Group Meeting and considered it as being "an encouragement for DMFAS to continue to deliver what is essentially an international public good – that is, high quality debt management software".

XII. Cluster XII: Transport and trade facilitation

Lead division: Division on Technology and Logistics

478. The projects under this cluster provide technical assistance and capacity-building in the fields of trade logistics and customs automation through ASYCUDA (table 12).

Table 12
Transport and trade facilitation

Project number	*Short title*	*Period covered*	*Source of fund*
AFG/0T/BBD	Implementation of ASYCUDA	2011–	Afghanistan
ALB/0T/BBA	Implementation of the excise management and control function in the Albanian customs IT system	2011–	Albania
ALB/0T/CAS	Implementation of e-Payment Services in the Customs IT System	20113-	Albania
ARU/0T/BCB	ASYCUDAWorld Aruba	2012–	Aruba
BDI/0T/ABD	ASYCUDA technical assistance and support	2011–	United Kingdom
BGD/0T/BCD	ASYCUDA migration to ASYCUDAWorld	2012–	Bangladesh

Project number	*Short title*	*Period covered*	*Source of fund*
BKF/0T/BCL	Projet de Migration vers SYDONIA World au Burkina Faso	2013-	Burkina Faso
BZE/0T/7BU	ASYCUDA	2007–	Belize
CMR/0T/AAI	Appui technique à l'information des douanes camerounaises	2012–	European Commission
DJI/0T/AAS	ASYCUDAWorld technical assistance and support	2011–	Djibouti
DRC/0T/9AN	Implementation of ASYCUDA	2009–	European Commission
ELS/0T/BCE	SYDONIA	2012–	El Salvador
ETH/0T/CAJ	Cooperation with ESLSE	2013-	Ethiopia
EUR/0T/AAZ	Implementation of ASYCUDA in Kosovo[b] customs	2011–	Kosovo[b] customs
GBS/0T/8BI	Migration des douanes a SYDONIA++	2008–	African Development Bank
GEO/0T/CBD	ASYCUDA Supervision and Training	2013-	World Bank
GIB/0T/9AM	Implementation of ASYCUDAWorld	2009–	Gibraltar
GUI/0T/BCX	Implementation de SYDONIAWorld	2013-	Guinea
HAI/0T/BCC	Consolidation SYDONIA World	2012–	Haiti
IVC/0T/4BV[a]	Implémentation de ASYCUDAWorld en Côte d'Ivoire	2005–2013	Côte d'Ivoire
JOR/0T/AAB[a]	Creation of the regional centre of excellence in the Aqaba Special Economic Zone	2011–2013	Jordan
JOR/0T/BCS	Strengthening the Implementation of E-Customs	2013-	Jordan
LAO/0T/9AE	Computerization of customs procedure and data	2009–	World Bank
LEB/0T/5BK	Implementation of ASYCUDAWorld in Lebanon	2005–	Lebanon
LES/0T/BDC	Customs management system	2012–	Lesotho
LIB/0T/8AP	Implementation of ASYCUDAWorld in the Libyan Customs Directorate	2008–	Libya
LIR/0T/8CD	ASYCUDAWorld Project in Liberia	2008–	Liberia
MAU/0T/5BD	Migration des Douanes mauritaniennes a la version++ du SYDONIA	2007-2013	Mauritania
MLI/0T/9BF[a]	ASYCUDAWorld technical assistance and support	2009–2013	Mali

Project number	*Short title*	*Period covered*	*Source of fund*
NAM/0T/2AI[a]	Migration to ASYCUDA++	2002–2013	Namibia
NAM/0T/BAN	Implementation of ASYCUDA	2012–	Namibia
PAK/0T/8AK	Trade and transport-facilitation project (TTFP-II)	2008–	World Bank
PAL/0T/BAL	Capacity development for facilitating Palestinian trade	2011–	Canada
PNG/0T/4AP	Installation of the Automated System for Customs Data	2004–	Papua New Guinea
PRC/0T/AAG	ASYCUDAWorld technical assistance and support	2011–	Congo
RWA/0T/BBE	Customs management and electronic single window system	2011–	Rwanda
SEY/0T/BBO	ASYCUDA project in Seychelles	2012–	Common Market for Eastern and Southern Africa
SOI/0T/BCO	ASYCUDA-Modernization and Automation of Customs Procedures and Data	2013-	Solomon Islands
SRL/0T/7BL	ASYCUDAWorld in Sri Lanka	2007–	Sri Lanka
STK/0T/CAT	ASYCUDAWorld Implementation in Saint Kitts and Nevis	2013-	Saint Kitts and Nevis
STP/0T/CBE	ASYCUDA project		
STV/0T/CAC	ASYCUDAWorld implementation in Saint Vincent and the Grenadines	2013-	European Commission
SUD/0T/8BG	ASYCUDA project	2008–	Sudan
SUR/0T/BAE	ASYCUDAWorld	2012–	Suriname
SYR/0T/4BP	ASYCUDA implementation in the Syrian Arab Republic	2005–	Syrian Arab Republic
TRI/0T/BDD	Strengthening customs management capacity (ASYCUDA World consolidation)	2012-	Trinidad and Tobago
TUN/0T/7AT[a]	Coopération pour la modernisation et l'automatisation des procédures douanières	2007–2013	Tunisia
UGA/0T/BBT	Implementation of a customs management system	2012–	Uganda
ZAM/0T/BDE	Customs Management System	2013-	Zambia
ZIM/0T/7AC	Implementation of ASYCUDAWorid in Zimbabwe	2007–	Zimbabwe

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/31Y	Introduction of multimodal transport and microcomputer software programmes	1993–	Multi-donor
INT/9X/89S	Support for ASYCUDA implementation activities	1998-	Multi-donor
INT/0T/4CO	Capacity-building in developing countries and least developed countries to support their effective participation in the WTO negotiations process on trade facilitation	2004–	Multi-donor
INT/0T/9BD	Integration and piloting of ASYCUDA/CLIENT Export System	2009–	Netherlands
INT/0T/BAY	Implementation plans for WTO Trade Facilitation agreement in developing members	2012–	European Commission
INT/0T/BCU	Project development for national trade facilitation implementation plans	2012-	European Commission
RAB/0T/7BP	ASYCUDAWorld Regional Centre for Arab States	2008–	Syrian Arab Republic
RAF/0T/6BC	Establishment of the SEATAC	2006–	Norway
RAF/0T/7AW	ASYCUDA Regional Support Centre for Africa (Ouagadougou)	2008–	Multi-donor
RAF/0T/8AL	Strengthening ASYCUDA implementation in Southern and Eastern Africa	2008–	Botswana
RAS/0X/0DX	ASYCUDA implementation and support in the Asia/Pacific region	2000–	Multi-donor
RAS/0T/1DA	ASYCUDA support mechanism for the Pacific	2002–	Japan
RLA/0T/3AD	ASYCUDA regional support for the Americas	2003–	National Governments
RLA/0T/ABC	Implementation of ASYCUDAWorld in Belastingdienst/BES Islands	2010–	Netherlands
ROA-2672 (AU)	Strengthening capacities of developing countries in Africa and Asia to support their effective participation in negotiating bilateral, regional and multilateral trade-facilitation arrangements	2011–	United Nations Development Account

Abbreviations: SEATAC, Southern and Eastern African Technical ASYCUDA Centre; TIR, transport international routier.

[a] Operationally but not financially completed or fully completed in 2013.

[b] United Nations Administrative Region, Security Council resolution 1244 (1999).

A. Trade logistics

1. Technical assistance and advisory services on trade facilitation

479. In 2013, UNCTAD prepared national trade facilitation (TF) implementation plans and detailed project proposal templates under four technical assistance projects:

(a) "Strengthening capacities of developing countries in Africa and Asia to support their effective participation in bilateral, regional and multilateral trade facilitation arrangements", financed by the United Nations Development Account;

(b) "Implementation plans for WTO Trade Facilitation Agreement in developing Members", financed by the European Commission;

(c) "Capacity-building in developing countries and least developed countries to support their effective participation in the WTO negotiation process on trade facilitation", with contributions from the Governments of Norway and Sweden to the UNCTAD Trust Fund.;

(d) "Project development for national trade facilitation implementation plans", financed by the European Commission.

480. These projects were particularly timely in 2013, as they helped participating countries (a) to engage better informed and more actively in the WTO negotiating process leading to the Bali WTO Trade Facilitation Agreement (TFA) in December 2013 and (b) to be better prepared for the implementation of the TFA.

481. UNCTAD's TF projects have an impact on participating countries' development in two major ways. First of all, their contribution to development is through the easing of trade. This impact is straight forward and has long been recognized. Perhaps more interestingly, there is a second, more direct, link to development: The reforms themselves help to generate better quality employment, get small traders into the formal sector, make economic activities more transparent and accountable, promote good governance, strengthen IT capabilities, increase revenue collection, and generally help modernize societies.

482. The countries covered by activities under the above-mentioned four projects in 2013 were Angola, Antigua and Barbuda, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Chad, Dominica, Gabon, Grenada, Haiti, India, Jordan, Kenya, Myanmar, Nepal, Nicaragua, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Uganda and the United Republic of Tanzania.

483. The national TF implementation plans are elaborated using a standardized questionnaire and are based on a common template. They contain a description of the current situation for the analysed trade-facilitation measures, the list of actions which would be required for the implementation of the measures which are not yet implemented, the need for external resources, the suggested leading implementation agency and a preliminary sequencing of the measures. At this stage, in addition to the implementation plans, the following outputs for the participating countries can be highlighted:

(a) Better understanding of the implications of the WTO TFA and increased knowledge of the individual TF measures;

(b) Better preparedness for the notification of the national TF implementation capacity to the WTO;

(c) Strengthened national trade facilitation committees, both in terms of the increased capacity of the individual members and in terms of obtaining practical working

documents (national TF implementation plans and project templates), which can be used as a source of the elements for its programme of work and terms of reference.

484. The national ownership and follow-up to the implementation plans is ensured through the use of national consultants, close cooperation with national TF committees, as well as the endorsement of the draft plan by major stakeholders during the validation conference. The results of the projects are also of direct interest to the regional economic groupings. Consultations have been undertaken with the relevant organizations (including EAC, OECS, SASEC and UEMOA) to inform them about the UNCTAD projects and the possibility to incorporate the actions as proposed in the national implementation plans into an action plan at the regional level.

485. In 2013, UNCTAD also undertook two one-week regional workshops in Western Africa and in the Eastern Caribbean. The purpose was to analyse practical implementation issues of TF measures in order to develop detailed project proposals. TF measures covered were those contained in the WTO TF Agreement and ranked by countries as national priority and needing time and technical assistance for their implementation. The workshops included sessions to meet with donors working on TF and technical visits to better understand operational dimensions of specific TF measures. The "UNCTAD Workshop for African French-speaking countries on trade facilitation implementation proposals" was held in April 2013 in Benin. It counted with the participation of three governmental representatives each from Angola, Benin, Burkina Faso, Burundi and Gabon. The "UNCTAD-OECS Regional workshop on implementation of Trade Facilitation plans in the context of WTO negotiations" was jointly organized with the Organization for East Caribbean States (OECS) Secretariat and took place from in October 2013 in Castries, Saint Lucia. Three representatives from each of the six OECS WTO members participated in the workshop (i.e. Antigua and Barbuda, Dominica, Grenada, Saint Kitts and Nevis, Saint Lucia and Saint Vincent). Regional, international and donor organizations also participated and contributed to both workshops.

486. Further in 2013, UNCTAD organized 4 regional workshops for Eastern African and South Asian countries in Kigali, New Delhi, Arusha and Kathmandu. The objectives of these regional events were to: (a) provide a platform for countries to share the experiences and best practices on the implementation of trade facilitation at regional level; (b) analyse in depth those TF measures where a higher need for assistance was previously identified and consider whether regional approaches could be used to overcome identified implementation challenges; and (c) strengthen participants' capacities regarding the development of project proposals for TF assistance. UNCTAD also organized onsite visits to the One Stop Border Post at the Rwanda/Burundi border and a dry port in New Delhi. Building on the above-mentioned 4 regional events, a one-week interregional TF forum for Eastern African and South Asian countries took place in November 2013 in Geneva. Participants came from Bangladesh, Bhutan, Burundi, India, Kenya, Nepal, Rwanda, Uganda and the United Republic of Tanzania. The event also included an onsite technical visit to a border crossing between Switzerland and France. The objectives of the forum were to: (a) provide a platform for countries to share the experiences and best practices on the implementation of trade facilitation at interregional level; (b) present the regional project proposals developed previously, addressing different challenges related to the implementation of TF; and (c) strengthen participants' capacities regarding specific TF measures.

487. Advisory services to the Government of Pakistan in the area of trade and transport facilitation continued under the World Bank-financed Trade and Transport Facilitation Project II. In 2013, this included assistance in the development of the procurement schedule for national and international consultants; as per the procurement schedule UNCTAD prepared terms of reference for ten studies on trade and transport facilitation. UNCTAD

also provided advisory services to the Mission of Pakistan during the negotiations on trade facilitation at the WTO, as well as important substantive and logistics support in the organization of the "Regional Conference on Strengthening Transport Connectivity and Trade Facilitation in South and South-West Asia", in Lahore on 9–10 December 2013.

2. Technical assistance and advisory services on transport

488. Under the project "Cooperation with the Government of Ethiopia in Developing a Strategy and Transformation Study of Ethiopian Shipping and Logistics Services Enterprise (ESLSE)", in 2013 UNCTAD supported the Ministry of Transport of Ethiopia in the revision of reports produced by an external consultancy. Through desktop research and four advisory missions to Addis Ababa, UNCTAD assisted the Ministry of Transport in the critical analysis of draft reports prepared and made recommendations towards improving the studies and thus advancing with the modernization and transformation of the Ethiopian Shipping and Logistics Services Enterprise.

489. UNCTAD continued to implement project UNDA 0809AP, co-executed with UNESCAP and UNECA, to provide stakeholders in landlocked and transit developing countries with sustainable capacity to improve cross-border and transit transport operations. Two workshops were conducted in January 2014 in Kigali, Rwanda, by UNCTAD DTL/Trade Logistics Branch in cooperation with ECA and the Central Corridor Transit Transport Facilitation Agency (TTFA). The objective was to introduce transit stakeholders in Burundi, Rwanda and Tanzania to the "Cross-Border and Transit Transport Process Management "CT-TPM" Toolkit. This toolkit has been developed by UNCTAD and ESCAP. This complex and very demanding project, executed with UNECA in Eastern Africa, is aimed at the development of corridor-based institutional platforms enabling to monitor day-to-day operations, design and implement readily applicable solutions, and to formulate longer term strategies for trade and transport facilitation along the corridor. Over the two workshops, lectures were delivered to ensure stakeholders to fully master: transit transport corridor analysis by using the CT-TPM toolkit.

3. Technical assistance and advisory services, Policy and Legislation Section

490. In accordance with paragraph 56 (j) of the Doha Mandate which instructs UNCTAD to "advise SIDS on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation" and building on its earlier work, UNCTAD has developed a project proposal with a focus on climate change adaptation for ports and other coastal infrastructure in small island developing states (SIDS), which was shortlisted for funding under the United Nations Development Account. The project aims to enhance the understanding and technical knowledge among policy makers, transport planners and transport infrastructure managers from SIDS of the impacts of climate change on coastal transport infrastructure – in particular seaports and airports – and to build their capacity to develop adequate adaptation response measures. Key deliverables of the project, include among others, developing a methodology/framework for use as a tool by SIDS in their assessment of priorities and adaptation needs relating to coastal transport infrastructure (ports and, as appropriate, airports).

491. In 2013, UNCTAD also continued to provide advice and policy guidance in response to requests received from various governmental and intergovernmental entities as well as non-governmental organizations. In addition to technical and policy advice on a range of legal issues and international legal instruments, this included advice and information in relation to international seaborne trade data and related matters, as well as on issues related to sustainability in shipping and transport. Information about UNCTAD's

substantive work in the field was also disseminated at various international meetings and through lectures at academic institutions.

492. Presentations on the importance of climate change adaptation for ports in developing countries and on special considerations applicable to small island developing States, were delivered at a scoping workshop on sea ports and climate change organized in March 2013 by the European Commission Joint Research Centre (ECJRC) in Brussels, Belgium. The scoping workshop, designed in consultation with UNCTAD, was aimed at informing the European Union (EU) research funding priorities and brought together multidisciplinary experts from a range of countries, as well as key industry representatives for discussions on research and information needs. The discussions provided useful insights, helping also to inform the secretariat's preparations of an UNCTAD port-industry survey on the subject.

B. The Automated System for Customs Data programme

493. **Development context**. The ASYCUDA Programme is directed at reforming and streamlining the Customs clearance process, increasing trade facilitation and strengthening the institution in member States. An efficient and effective Customs administration is essential to the welfare of any country as it: (a) benefits the national economy by collecting revenue, (b) assists the Government to implement national and international trade policy, (c) protects the country by combating fraud and the illegal trafficking of prohibited and restricted goods, (d) provides statistical information on foreign trade transactions essential for economic planning and (e) supports international trade needs.

494. The ASYCUDA programme is committed to providing sustained support for development, in-country and remotely. Over a period of more than 32 years, it has supported the changing and evolving needs and challenges of the customs administrations of 108 countries and territories, and facilitating the international trade of these. Having originated as a means to help countries build and utilize the data collected at customs ports of entry through databases, the programme's scope has gradually widened to helping countries manage its economic and financial analysis and planning as well as assisting the private sector in doing business. It has also expanded in terms of the customs management functions that it supports, from the initial data capture (now uploaded via Internet) to assisting countries/territories in monitoring of trade in and out of their borders, in making available trade statistics, in measuring institutional and trade facilitation benchmarks, and in producing data critical to risk management analysis and to enhance customs' operational performance and its integrity as an institution.

495. The mandate of the ASYCUDA Programme is reflected in the Accra Accord, paragraph 167, which reads as follows: "UNCTAD should continue to provide assistance to developing countries to design and implement policies and actions aimed at improving the efficiency of trade transactions as well as the management of transport operations. It should also continue to cooperate with member States in implementing ASYCUDA, the automated system for customs data."

496. The United Nations General Assembly Fifth Committee document (paragraph 82, A/C.5/64/L.23 of 29 December 2009) also makes reference to the Programme when it encourages the UNCTAD SG "... in supporting the strengthening of regional economic integration in Africa by providing, within the allocation to the Conference, technical assistance and capacity-building in the areas of trade, customs and infrastructure ...".

497. In the Doha Mandate, specific reference is made to the programme's work, reaffirming, inter alia, the importance and role of the ASYCUDA Programme in supporting developing countries, particularly LLDCs and SIDS, and in continuing its trade facilitation

work. The Mandate states (paragraphs 56 (h), (i), (j) in accordance with paragraph 18) that "UNCTAD should …

(a) Assist developing countries, particularly LLDCs and transit developing countries, and some countries with economies in transition, to address challenges affecting their participation in trade from geographical constraints, with a view to improving transport systems and connections, designing and implementing resilient and sustainable transport systems, and enhancing transit infrastructure and trade facilitation solutions;

(b) Continue its work in the field of trade facilitation, including the Automated System for Customs Data programme;

(c) Advise SIDS on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation…".

498. **Objectives and features.** The main objective of the ASYCUDA programme is the modernization of customs, using information technology to speed up and simplify the goods clearance process. The ASYCUDA system manages the entire customs clearance process, from (and prior to) the arrival of the goods up to their warehousing and ultimate release, after payment of duties and taxes. It includes an advanced risk-management/selectivity function and very strong anti-corruption features. The implementation of an ASYCUDA project in a beneficiary country is based on the delivery of a comprehensive capacity building programme, designed to transfer the full ASYCUDA functional and technical know-how to the national staff and to ensure that the national team will be able to administrate and maintain the national ASYCUDA system without external technical assistance and support.

499. **Outputs.** In 2013 the ASYCUDA programme continued to increase revenue collected by customs in LDCs, and other user countries/territories as well as reduce clearing times and costs. In particular, the Uganda Revenue Authority and Burundi performed a nationwide rollout of the system, the former connecting five other government agencies and the latter in a simultaneous manner, while Kosovo[15] customs enhanced operationally the system by implementing transit guarantee management, electronic manifest, electronic payments and valuation. The implementation of ASYCUDA projects is always accompanied by various reforms and modernization programmes, and often the project acts also as a catalyser for office refurbishment and for the building of requisite infrastructure such as the telecommunications network.

500. The technical and functional training of national experts is a major component of the technical assistance projects employed as a tool to provide the transfer of know-how. In 2013, this training was carried out in several countries and in the Aqaba Centre of Excellence (Jordan) in an effort to assist national experts to establish a sense of ownership of technical self-sufficiency and to further enhance the operation of the system. To this end, around 230 training sessions were carried out, both technical and functional, for an audience of more than 2,500 participants.

501. More than 330 advisory missions were undertaken by staff or consultants in beneficiary countries and territories. The Programme's mission statement clearly stresses the importance in providing technical assistance "… with emphasis on the special needs of the least developed countries". In 2013, 40 LDCs, 20 LLDCs and 19 SIDS benefited from the ASYCUDA programme's support.

[15] United Nations Administrative Region, Security Council resolution 1244 (1999).

502. **Results.** The impact and results of ASYCUDA projects can be assessed by various institutional and trade facilitation benchmarks, including increased revenue, improved trade facilitation, shorter clearance times and the availability of reliable trade statistical data. The automatic calculation of duties and taxes results in increased State budget revenue, while reliable and timely trade and fiscal statistics assist governments in planning their economic policy. ASYCUDA has made a major impact on e-business and e-government transactions, making international trade simpler and cheaper, while making international markets more accessible to enterprises from developing countries. In more and more countries ASYCUDA constitutes the core system for building the single window for international trade.

503. The results and impact of the ASYCUDA projects can further be assessed by evaluation measures which include projects in countries as new users of the ASYCUDA system and also the upgrade and maintenance of projects in countries migrating from one version to the other, or extending functional or geographical coverage of the ASYCUDA system already in place. Since 2009, ASYCUDA projects contain monitoring and evaluation tools such as the logical framework and its achievement indicators, and the monitoring plan: these tools are reviewed at the inception of the project during the mobilization workshop.

504. Furthermore, ASYCUDA also contributes in achieving the MDGs, in particular Goal 1 (poverty eradication), by assisting user countries in the economic planning of their Government's finances through revenue collection, trade statistics and reduction of corruption (diversion of country resources).

505. The ASYCUDA programme has always aimed at developing sustainable partnerships and cooperation with beneficiary countries, international and regional organizations. Up until 2010 these partnerships were agreed mainly with national or multi-national government agencies such as the Directorate-General of Customs and Indirect Taxes of France, UPAEP (Postal Union of the Americas, Spain and Portugal), Swedish Customs, Ministry of Economic Affairs of the Kingdom of the Netherlands, subsequently the trend has been with regional and international organizations such as IRU (International Road Transport Union). In 2013, Memorandums of Understanding (MoU) or of Cooperation were signed with ECOWAS (Economic Community for West African Countries) to establish a capacity building Centre of Excellence for customs administrations, EEC (Eurasian Economic Community) to promote trade and customs facilitation procedures, WCO (World Customs Organization) to develop a performance measurement module to support the promotion of integrity within customs administrations, IATA (International Air Transport Association) to implement the transmission of electronic manifests. Also during 2013 discussions for partnerships were initiated with COMESA (Common Market for South and Eastern Africa), WTO (World Trade Organization), OCHA (United Nations Office for Coordination of Humanitarian Affairs), UPU (Universal Postal Union), CITES (Convention on International Trade in Endangered Species) and UNODC (United Nations Office on Drugs and Crime). For the ASYCUDA Programme such framework instruments are important for ensuring the prompt delivery of technical assistance and the long-term sustainability of cooperation as well as for observing intellectual property rights for the ASYCUDA software.

XIII. Cluster XIII: Information and communications technology policies and applications for development

Lead division: Division on Technology and Logistics

506. This cluster of activities supports research, analysis and capacity-building in developing countries, with regard to policymaking in the field of information and communications technologies (ICTs) and their role in contributing to economic and social development. A multi-donor and multi-year trust fund on ICT policies for development supports UNCTAD's technical assistance activities in this area (INT0T9AS). In 2013, it was financially supported by the Governments of Finland, Germany and the Republic of Korea. In addition, a single-donor trust fund (INT/0T/BCY) with three-year funding (2013-2015) from Sweden also supports the cluster (table 13).

Table 13
Information and communications technology policies and applications for development

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/9AS	ICT policies for development	2009–	Common Fund for Commodities
INT/0T/BCY	Building capacity to produce indicators for supporting ICT for development policies and mainstreaming ICT in women entrepreneurship programmes	2013–	Sweden

A. Information and communications technology policies for development

507. **Development context.** As recognized at the World Summit on the Information Society (WSIS), ICTs have considerable potential to enable development. In the Doha Mandate, UNCTAD member States reconfirmed the relevance of the work of UNCTAD in the area of ICTs, as established in the Accra Accord. It recognizes that ICTs have become an important feature of the increasingly globalized and knowledge-based economy. The Internet and other ICTs can contribute to job creation, enhance access to information, interaction through social networks, and enable transparent and efficient commerce. Wider ICT diffusion, improved access to the Internet and the development of ICT-related infrastructure are essential to bridging the digital and broadband divide. Developing countries can maximize their benefit from ICTs by formulating and implementing national ICT policies.

508. Member States have mandated UNCTAD, among other things (Doha Mandate paragraph 56 (q), Accra Accord paragraphs 158–161) to undertake research on ICTs, provide technical assistance to developing countries in the area of ICT, notably in the areas of ICT policy reviews, pro-poor policies, legal and regulatory frameworks, and measuring the information economy.

509. In addition to research work supported by the cluster, UNCTAD's technical assistance work in this area in 2013 focused primarily on three areas. First, building the capacity of countries to produce information economy statistics that will enable them to formulate and implement evidence-based policymaking. Secondly, it assists countries in harmonizing their legal frameworks and creating an enabling environment for electronic

and mobile commerce. Thirdly, strengthening policymaking in women's entrepreneurship development (WED) by integrating the ICT dimension in a framework for WED assessments conducted by the ILO and conducting capacity-building and awareness-raising on key areas where ICTs can be leveraged to empower women entrepreneurs.

510. **Objectives and features.** UNCTAD aims to strengthen the capacity of developing countries to use ICTs for pro-poor economic growth, productivity and development, to formulate and improve ICT for development strategies, and to assess the results of policies by developing appropriate mechanisms for monitoring and evaluation, including via the production of internationally comparable statistical indicators.

511. **Outputs.** Extrabudgetary funding contributed to the preparation and dissemination of the *Information Economy Report 2013: The Cloud Economy and Developing Countries (IER2013)*.[16] The *IER2013* benefited from several background papers prepared by leading experts and financed by the trust fund. It also benefited from one brainstorming meeting and one peer review seminar to discuss draft chapters. The Report was launched in December at press conferences in six locations, and presented at special research seminars in several other places. In many of these, events were organized in partnership with other United Nations bodies (ESCWA, ECA, UNICs), Governments, universities and private sector associations. Several video conferences were also arranged in collaboration with the Virtual Institute.

512. A special seminar was organized together with UNECA and the Republic of Korea in Addis Ababa in December 2013. It offered an opportunity for policymakers, particularly from governments in Africa, to understand better the opportunities and challenges emerging from cloud computing. The main findings of the IER2013 and from selected African case studies were presented. The cloud strategy of the Government of the Republic of Korea helped to illustrate the possible implications of cloud computing for African countries. Participants were invited from ICT- or e-government-related departments or ministries in their countries.

513. A joint BMZ-UNCTAD study on *Promoting Local IT Sector Development through Public Procurement* was officially launched in April 2013. It was presented at a number of key events: (a) Africa Business Week, 22–26 April 2013, Frankfurt am Main, Germany; (b) WSIS Forum 2013, 16 May 2013, Geneva Switzerland; and (c) the Global e-Government Forum 2013, 22–23 October 2013.

514. As part of UNCTAD's assistance to developing countries in the area of ICT measurement, there were two regional training courses, one for Latin America and one for lusophone countries (most of which are in Africa). The latter made use of the Portuguese version of the UNCTAD *Manual for the Production of Statistics on the Information Economy*. A training workshop for China also included six other developing countries with bilateral cooperation agreements on statistics. A training of trainers in March 2013 resulted in four new trainers being certified to deliver the UNCTAD training course on information economy statistics in Arabic, English, French and Russian.

515. In addition to the training courses, two regional workshops for CIS countries and for African countries took place where UNCTAD staff participation was funded by the project, and which served to brief participants on the on-going UNCTAD work on measuring the information economy, including the capacity building programme funded by Sida and the planned work to develop indicators on ICT and gender and trade in ICT and ICT-enabled services.

[16] unctad.org/ier.

516. In terms of the methodological development, UNCTAD led or co-led two new task groups within the Partnership on Measuring ICT for Development. UNCTAD co-chaired with the International Telecommunication Union (ITU) a Task Group focusing on ICT and gender statistics. The work involved the commissioning of a background study to identify the need for additional indicator in this field. The study served as a basis for the discussion during an expert meeting held in Mexico City in December 2013. The report will be published in early 2014. A similar assessment report on measuring trade in ICT services and ICT-enabled services will also be ready in 2014.

517. The creation of an enabling legal and regulatory environment is critical to ensure an effective implementation of e-government strategies and to facilitate electronic and mobile commerce. In the area of ICT and law reform, UNCTAD has been assisting developing countries for more than a decade. With the recent uptake of mobile phones, the spread of mobile money deployments and increased reliance on cloud computing, this work has gained urgency in member States.

518. In 2013, UNCTAD's technical assistance activities in this field aimed at building capacity of various stakeholders, preparing cyberlaws and facilitating increased regional harmonization of cyberlegislation, with projects in Africa, Asia and Latin America. Technical cooperation activities were undertaken in cooperation with United Nations regional commissions, UNCITRAL and different regional institutions. UNCTAD also participated in various conferences on cybersecurity with its partners, such as the African Union, the CTO and the ITU.

519. In the East African Community (EAC), the EAC Framework for Cyberlaws (Phase II) was approved for implementation by the Tenth Meeting of the Sectoral Council on Transport, Communications, and Meteorology (TCM). Partner States are advancing in the implementation of Framework I and II. The enactment of cyberlaws is becoming even more crucial as EAC is moving towards the implementation of e-government applications and services across the region.

520. A new project implemented by UNCTAD in cooperation with the ECOWAS Commission was launched to be carried out together with the Train for Trade (TFT) programme. The project benefits from funding from the Development Account. The first activity carried out covered two distance learning sessions of the Train for Trade training course on the legal aspects of e-commerce in French and English. 221 representatives of public and private sector benefited from this training that took place in October 2013. The TFT project aims to support the implementation in eight ECOWAS Member States (Benin, Burkina Faso, the Gambia, Ghana, Guinea, Mali, Senegal and Togo). The Trust Fund is used to include the other countries in the region (Cabo Verde, Côte d'Ivoire, Guinea-Bissau, Liberia, the Niger, Nigeria and Sierra Leone) for the benefit of regional cyberlaw harmonization. Capacity-building workshops (distance learning and face-to-face) to assist countries prepare legislation in this field are planned for 2014. Funding from the trust fund will be used to prepare a comparative review of cyberlaw harmonization in this region.

521. In April 2013, a special briefing session (Yaoundé, Cameroon) was organized by UNCTAD, the Commonwealth Parliamentary Association (CPA), and the Commonwealth Telecommunications Organisation (CTO) for a cross section of parliamentarians from Australia, Cameroon, Namibia, Nigeria, Trinidad and Tobago and the United Republic of Tanzania. They examined international and regional best practices on key legal aspects of electronic commerce and cybersecurity. This was the second such briefing organized by UNCTAD.

522. In 2013, the programme continued its collaboration with the Association of South-East Asian Nations (ASEAN). Together with the ASEAN secretariat, UNCTAD launched a comprehensive review of e-commerce legislation harmonization in the region in support of

the implementation of the ASEAN ICT Masterplan 2015. The review was presented by the ASEAN Secretariat at a retreat for ASEAN Telecommunications and IT Senior Official and Telecommunication Regulators' Council Leaders in September 2013.

523. At the request of the Permanent Missions of Cuba and Ecuador in Geneva, UNCTAD organized (together with ITC and the Friedrich Ebert Stiftung) a two-day seminar on e-commerce, SMEs and development in February 2013 aimed at raising the awareness of Latin American delegates and government experts on the development dimension of e-commerce. Following this request, the Government of Ecuador agreed to host a regional workshop on cyberlaw harmonization in September 2014. Prior to it, a TFT distance learning training will be held in June.

524. The Spanish version of the UNCTAD training course on the legal aspects of e-commerce was updated and the distance learning version was finalized in May 2013.

525. In the area of women's entrepreneurship and ICTs, UNCTAD undertook several approaches to strengthening policymaking in women's entrepreneurship through ICTs. In March 2013, UNCTAD developed and launched the ICT4WED, an online community of ICT and women's entrepreneurship experts and practitioners. ICT4WED served as an important vehicle for gathering inputs for the revision of the ILO Framework and Methodology from relevant stakeholders. It was also used to disseminate the revised ILO framework to members, as well as other ICT and women's entrepreneurship-related information routinely throughout the year. It will also be used as a dissemination channel for an upcoming UNCTAD publication on empowering women entrepreneurs through ICTs.

526. As part of its capacity-building work to support developing countries, UNCTAD co-organized with the ILO an assessors training on women's entrepreneurship development and ICTs (April 2013, Dar Es Salaam, United Republic of Tanzania), a workshop on women's entrepreneurship and ICTs during the WSIS Forum (May 2013, Geneva, Switzerland) as well as a seminar on empowering women entrepreneurs through ICTs (October 2013, Stockholm, Sweden) all including women entrepreneurs from Africa as speakers.

527. As part of research and analysis on the use of ICTs to empower women entrepreneurs and to identify key policy action areas, focus groups of women entrepreneurs were conducted in Tanzania. They helped to collect qualitative data on the use of ICTs among women entrepreneurs and on the types of barriers and opportunities they faced. The research and data were incorporated in an analysis synthesizing the results of all the findings in a final publication *Empowering Women Entrepreneurs through Information and Communications Technologies: A Practical Guide* to be published in the first quarter of 2014.

528. In addition to the various meetings and events mentioned above, UNCTAD served as a member of the Donor Committee on Entrepreneurship Development (DCED) and participated in a meeting of the DCED Working Group on Women Entrepreneurship in October 2013 in Stockholm, Sweden where it highlighted the ICT dimension in entrepreneurship. UNCTAD also shared its work in women's entrepreneurship and ICTs at an ILO Knowledge Sharing Event on WED in East Africa in November 2013 in Nairobi, Kenya.

529. **Results.** The *Information Economy Report 2012* helped to raise awareness among relevant stakeholders about the potential and risks associated with cloud computing. As of January 2014, it had generated more than 100 media articles and several radio and television interviews. The debates generated around privacy and data protection around the world made the *IER* timely for policymakers. The analysis was appreciated by member States and other partners. "The *IER2013* is the most comprehensive and authoritative

source that provides much needed evidence to understand how developing countries can harness the cloud's efficiency and cost savings for economic and social development," Nir Kshetri, Associate Professor, University of North Carolina at Greensboro, United States of America.

530. Joint work of GIZ, WITSA and UNCTAD to promote data collection on the ICT sector with the involvement of national information technology associations was presented during the Global Policy Action and Trade Summit in Sao Paulo, Brazil, in November, and received full support from the WITSA Board. This should facilitate access to key data for informing policymaking on how to enable the growth of the ICT sectors.

531. The BMZ/UNCTAD study on how public procurement can be used strategically to support local IT sector development has helped to fill a lack of research related to in an important policy area for countries seeking to boost their IT sectors. The recommendations were already incorporated in the *Information Economy Report 2012: The Software Industry and Developing Countries* and they will be considered in future ICT Policy Reviews and Science, Technology and Innovation Policy Reviews undertaken by UNCTAD. The findings of the report will also inform UNCTAD's Multi-year Expert Meeting on Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development in 2014.

532. In the case of measuring ICT, UNCTAD furthermore continued its collaboration with other parts of the United Nation system. UNCTAD continued its leading role within the Partnership on Measuring ICT for Development – as part of its steering committee, as co-leader of its Task Group on Gender and ICT and leader of its Task Group on Trade in ICT Services. Regarding the new indicators and thanks to the work of the task group, awareness on the issue of gender and ICT indicators has been raised by discussions at several international meetings.

533. In 2013, a workshop resulted in the working group on ICT indicators of the Statistical Conference of the Americas adopting a model module on ICT use by businesses that could be included in business surveys in the region. The results of the workshop were reported to the Ministerial Meeting on ECLAC's Strategy for the Information Society in Latin America and the Caribbean (eLAC 2015). A regional workshop for Latin American countries on telecommunication/ICT indicators organized by ITU, in cooperation with UNCTAD (13–16 May, Uruguay) recommended that countries use the model module developed in collaboration with the Statistical Conference of the Americas.

534. The Training on Information Economy Statistics for Lusophone Countries (4-8 November 2013, Maputo, Mozambique) resulted in 17 statisticians from 6 countries being trained to produce the core indicators on ICT use by businesses and on the ICT sector. With the exception of the 2 participants from Cabo Verde, all came from LDCs. Feedback from participants in the evaluation report was very positive. Most felt that what they had learned was relevant to their work and were very motivated. The training course was not only effective in building capacities in the participating countries, but also served to put the issue of ICT statistics "on the radar" of practitioners. UNCTAD will follow up with the lusophone beneficiaries in order to find out about their needs for advisory services.

535. A Training Workshop on Measuring the information economy and e-commerce in China (25–27 June, Beijing) organized by China National Bureau of Statistics (NBS), led to more than 70 participants bring trained, including 13 from other countries (Oman, Malaysia, Myanmar, the Sudan, Thailand and Viet Nam). Further to the Chinese workshop, a technical assistance request on e-commerce, including the statistical aspect, was made by the Ministry of Commerce of China.

536. UNCTAD's technical assistance, training of trainers and participation in various international meetings helped to strengthen the regional networks of experts on ICT

measurement. These networks can be tapped in the future to further disseminate ICT measurement core indicators and methodologies. It is hoped that the presence in these countries of a focal point on ICT measurement will help to raise awareness of the importance of producing internationally comparable statistics on ICT in business, as well as assist UNCTAD in collecting national data. Finally, these experts can support further training and dissemination activities at the country level.

537. In the area of ICT and Law Reform, Governments in the EAC continued to show determination in the area. The EAC secretariat and members of the Task Force on Cyberlaws expressed their appreciation for UNCTAD support in this context. At the ministerial level, Musa Sirma, Chair of the Council of Ministers of the East African Community and Minister for East African Community, Republic of Kenya stated that: "The development of cyberlaws in the region is critical to underpin the realization of full potentials in regional e-commerce, electronic financial transactions and business processes outsourcing."

538. The Government of Uganda adopted three new regulations to give effect to the cyberlaws enacted to implement Phase I of the EAC Cyberlaw Framework. The National Information Technology Authority (NITA) continued to organize sensitization/awareness workshops/campaigns to create awareness of the existence of cyberlaws. NITA requested support in the development of the data protection and privacy law. The United Republic of Tanzania prepared three draft bills (on cybercrime, on electronic transactions and e-commerce and on data protection) based the EAC Cyberlaw Frameworks and on SADC Model Laws on Cybersecurity. The Ministry of Youth and ICT of Rwanda requested building the capacity of lawmakers, including parliamentarians and other stakeholders on the issues around ICT, as well as support in drafting laws in several areas. The Government of Burundi expects to enact the omnibus law by the end of 2014.

539. The Government of Ethiopia requested the assistance of UNCTAD in the revision of their e-commerce laws (November 2013).

540. The outcome of the discussions at the ASEAN-UNCTAD first workshop in Cebu, the Philippines, was reported to the thirteenth ASEAN Telecommunications and Information Technology Senior Officials Meeting (TELSOM). The Review was presented by the ASEC at the ASEAN TELSOM-ATRC Leaders' Retreat on 3–4 September 2013. The ASEC expressed its appreciation to UNCTAD for having helped to further the establishment of ASEAN's e-commerce legal infrastructure. The Philippines presented the main findings of the Review at national events.

541. With regard to the work on women's entrepreneurship development, the integration of the ICT dimension into ILO's framework for assessing women entrepreneurship development policies was completed. The 2013 version of the ILO WED Framework Conditions was the first edition to take the ICT dimension systematically into account and was officially launched in the fourth quarter of 2013. Originally, the project aimed at identifying at least one country to pilot the revised framework, but synergies with ILO helped surpass this expectation by piloting the framework in 3 countries (Kenya, Uganda and the United Republic of Tanzania) before the end of 2013, and the start of another assessment for Morocco. The Asian Development Bank also used part of the framework for a WED assessment study of selected transition economies in 2013.

542. The Assessors Training on WED and ICTs (April 2014, Dar Es Salaam, the United Republic of Tanzania) trained approximately 40 assessors, specialists and representatives from government, United Nations agencies, academia and other stakeholders on the revised ILO WED Framework and Methodology including the new framework condition relating to ICTs. The WSIS workshop and the seminar on Empowering Women Entrepreneurs through ICTs (May 2013, Geneva and October 2013, Stockholm) both served to increase awareness

of women's entrepreneurship and ICT issues. The former was attended by approximately 100 participants. The latter, which launched the new WED framework back-to-back with a meeting of the DCED WED Working Group, was attended by approximately 60 people in person and 100 people online.

543. The ICT4WED online platform and community of experts was joined by 24 experts from United Nations agencies, Governments, research institutes, academia, civil society, the private sector, donor community and other stakeholders. The online consultation generated more than 60 postings from members sharing comments and suggestions on how to integrate ICTs into WED.

544. All these activities served to raise awareness about the potential role ICTs can play in strengthening women's entrepreneurship, consult with experts and beneficiaries, gain insights from women entrepreneurs, and identify pilot countries to implement the revised framework. As a result, the issue of women's entrepreneurship and ICTs received considerable public interest as well as press coverage. UNCTAD's work in empowering women entrepreneurs through ICTs and the issue of ICTs and women's entrepreneurship was highlighted by United Nations Radio in two stories (May 2013) as well as by the WSIS Forum in a video (May 2013). The project was included as a best practice case in a new report from the Broadband Commission on Gender.[17]

545. According to Joni Simpson, ILO's Global Coordinator and Specialist, Women's Entrepreneurship and Entrepreneurship Education: "...the integration of ICTs into the ILO's WED framework conditions brings in a strategic dimension for women entrepreneurs, connecting them to information, financial services, markets, training., saving time, etc. We have also noted that by integrating ICTs into the ILO-WED framework, people who may otherwise not have attended activities on WED or gender dimensions of enterprise development became interested."

XIV. Cluster XIV: Cross-divisional training and capacity-building

Lead division: Division on Technology and Logistics

546. UNCTAD supports beneficiary countries in the development of local capacities for trade as a key to growth and development. It helps to secure developing countries' beneficial integration into the globalized world economy by supporting them to build resources, knowledge and skills that will allow them to achieve their development objectives.

547. **Objectives and features.** The programmes under this cluster (table 14), namely Train for Trade and the Course on Key Issues on the International Economic Agenda, aim to increase sustainable local capacity in the fields of trade, finance, investment, tourism and other interrelated areas and their links with development in developing countries and countries with economies in transition. They do so through technical assistance and cross-divisional capacity-building, focusing on human resources development, training, and networking. The mandate for these programmes was renewed in paragraph 56(r) of the Doha Mandate indicating that UNCTAD should "continue capacity-building activities

[17] See http://www.broadbandcommission.org/Documents/working-groups/bb-doubling-digital-2013.pdf, p. 35.

including Train for Trade and in the framework of paragraph 166 of the Bangkok Plan of Action".

Table 14
Cross-divisional training and capacity-building

Project number	*Short title*	*Period covered*	*Source of fund*
ANG/0T/CAB[a]	Support activities in Angola in the fields of Sustainable Tourism and Diversification of Productive Capacities	2013-2013	UNDP
URT/0T/BBM	Delivering as one, United Republic of Tanzania project	2011-	One United Nations
INT/0T/4AB	Mise en place d'un projet de renforcement des capacités de formation portuaire pour les pays en développement	2004–	Developing country ports
INT/0T/6AR	Train for Trade Trust Fund	2006–	Multi-donor
INT/0T/7BR	UNCTAD/ Train for Trade Port Training Programme for English-speaking developing countries	2007–	Ireland
INT/10/X13	TRAINFORTRADE	2010-	Norway
ROA-2284 (AR)	Strengthening capacities for policy-oriented analysis of key global development challenges at developing country universities	2011–	United Nations Development Account
ROA-2903 (J8)	Accelerating progress of selected West-African countries towards the achievement of internationally agreed development goals, particularly MDG8, through trade-related training and capacity building	2013-	United Nations Development Account

[a] Operationally but not financially completed or fully completed in 2013.

A. Train for Trade programme

548. Train for Trade focuses on developing skills and knowledge through innovative approaches based on a recognized pedagogical method and state-of-the-art technological solutions. Train for Trade develops and implements technical assistance projects with core components on international trade and development, and promotes cross-divisional cooperation. It also operates the Port Training Programme through four language-based networks in Africa, Asia, Europe and Latin America. Train for Trade advises on the use of ICT to promote knowledge sharing, networking and competence-building.

549. Train for Trade has extensive experience in delivering tailor-made assistance to developing countries and economies in transition to build their capacity to integrate into the world economy. Train for Trade launched the Train for Trade Project in West Africa in 2013, to strengthen capacities in the area of e-commerce in some West African countries (Benin, Burkina Faso, the Gambia, Ghana, Guinea, Mali, Senegal and Togo) and in collaboration with UNCTAD's ICT Analysis Section and the ECOWAS Commission has since included Cote d'Ivoire, the Niger and Nigeria as beneficiary countries. The project will follow Train for Trade's strategy with particular emphasis on MDG 8 (global partnership for development) and will support the implementation of the existing legal

frameworks on e-transactions at the national level through capacity building workshops organized for the period 2013–2015.

550. The Section emphasizes the importance of training local experts as trainers in order to create sustainable knowledge sharing processes. It promotes networking and South–South cooperation among beneficiaries which is considered crucial for knowledge-sharing and multiplier effects of training. New learning tools are continuously developed by exploring technological opportunities such as e-learning and mobile-learning.

551. **Outputs.** In 2013 it delivered 30 face-to-face and e-learning courses in cooperation with other UNCTAD programmes. A total of 842 trade operators (27 per cent women) from 29 developing countries, including 13 least developed countries, participated in these courses.

552. Train for Trade's activities in 2013 were funded through range of donors including France, Ireland, Norway, Spain and Switzerland. Furthermore the beneficiary ports of the Port Training Programme continued contributing financially to the Trust Fund. This self-sustaining aspect indicates the level of commitment and interest from the national port communities (public–private partnership) that include Benin, Cameroon, Côte d'Ivoire, Djibouti, Gabon, Ghana, Guinea, Indonesia, Ireland, Namibia, Peru, the Philippines, Senegal, Togo and the United Republic of Tanzania. Financial contributions from OCHA, UNHCR, WFP and UNOG/SDLS were also received for LMS hosting services that Train for Trade provides.

1. Using information and communications technology to promote knowledge-sharing, networking and competence

553. Train for Trade uses ICT as a tool for knowledge-sharing because it increases the number of beneficiaries, it reduces the cost and at the same time it is environmentally friendly. During the Advisory Group Meeting organized in Geneva on 10 December 2013 on *Developing Skills Knowledge and Capacities through Innovation: E-learning, M-learning, Cloud-Learning*, the Section emphasized the use of new technologies for knowledge sharing and capacity-building training in developing countries. Fifteen United Nations agencies took part in the discussions examining some of the current initiatives developed or implemented by international organizations and/or universities in the field of distance learning, with an aim of advising UNCTAD on the implementation of innovative solutions for the building and sharing of knowledge.

554. Train for Trade promotes the use of interactive and collaborative learning technologies and is recognized as a key player in developing distance learning tools by Geneva-based international organisations. The Section also continues its collaboration with the Staff Development and Learning Section (SDLS) of the United Nations Office at Geneva by providing Learning and Content Management System (LMS) hosting services used by more than 1,000 students each trimester accessing course materials. It continued cooperation with the Office for the Coordination of Humanitarian Affairs (OCHA) on e-learning activities (five online courses). The Section also provided inter-division support within UNCTAD related to capacity development and e-learning.

2. Technical assistance projects

555. **Continued capacity-development activities in Angola.** Following the Memorandum of Understanding between UNCTAD and UNDP Angola in November 2012, Train for Trade organized six capacity-development activities within the framework of UNDP Angola's Growing Sustainable Business Project. This collaboration allowed Train for Trade to maintain an active presence in the country and to capitalize on the results obtained during the Angola project implemented between 2007 and 2011. The participation

of 225 stakeholders (of which 84 women) from the public and private sector, as well as civil society in three workshops on sustainable tourism for development and one, organized in collaboration with UNCTAD's Division for Africa, Least Developed Countries and Special Programmes, on diversification of productive capacities and poverty reduction in the LDC. The large participation and satisfaction of the beneficiaries confirm the solid presence of Train for Trade in Angola and the strong and continuous support provided by the national authorities.

556. **Train for Trade and BioTrade.** UNCTAD BioTrade Initiative and Train for Trade Programme organized an e-learning course on biotrade and value chain development, from 25 March–7 April 2013. The course provided participants with the skills and abilities to create, disseminate and adapt knowledge and tools to facilitate processes to develop value-chains with respect to biodiversity. Twenty-four representatives from Colombia, Ecuador, Mexico and Peru completed the course and received certificates.

3. Port Training Programme

557. The Train for Trade Port Training Programme plays a vital role in supporting port communities in developing countries in quest for efficient and competitive port management (figure 3). Talent management and leadership development is a crucial part of the Programme. The Port Training Programme operates through four language-based networks (English, French, Portuguese and Spanish) in Africa, Asia, Europe and Latin America and the Caribbean. The Programme also hosts the high-end course Modern Port Management, which includes a powerful scheme to induce value-added solutions in port communities.

558. The Port Training Programme brings together public, private and international entities to share expertise and best practices. Partnerships have been established with European ports to share their knowledge and expertise with ports in the South. Annual regional meetings bring together port officials from different countries, promoting sharing of experiences and expertise. South–South collaboration between port communities is promoted as it is crucial for knowledge sharing. For example, exchange of participants is encouraged in order to increase participants' exposure to different port set-ups, as well as to facilitate the transfer of knowledge.

559. In 2013, 59 courses were held globally for 443 participants and 82 trainers from 14 countries, including 5 LDCs. Fifty-five courses lasting 30 hours each were delivered by local instructors trained by UNCTAD. The beneficiary ports of the Port Training Programme continued contributing financially to the Trust Fund. This indicates the level of commitment and interest from the national port communities, including Benin, Cameroon, Côte d'Ivoire, Djibouti, Gabon, Ghana, Guinea, Indonesia, Ireland, Namibia, Peru, the Philippines, Senegal, Togo and the United Republic of Tanzania. The Philippines has since joined the PTP English-speaking network and hosted the Coaching Workshop from 19-22 November 2013 in Manila and will launch its first cycle in 2014.

560. The Programme also offers train-the-trainer courses and coaching sessions in order to support capacity development of the instructors. The Modern Port Management course targets middle and senior managers and consists of 240 hours of training activities, which are divided into eight modules and delivered over a two-year span. To obtain the UNCTAD Certificate in Modern Port Management, participants must complete each module and defend a dissertation. These dissertations (about 150 each year) have proven very useful for the port communities in improving their services.

561. The eight modules of the Modern Port Management course are: (a) international trade and transport; (b) organization of a port system; (c) functioning of a port system; (d) future challenges to ports; (e) methods and tools of port management; (f) economic and

commercial management; (g) administrative and legal management; and (h) technical management and human resources development.

562. **English-speaking network.** At the Coordination Meeting in Belfast from 2–4 July 2013, the Minister of State at the Department of Trade of Ireland, highlighted the importance of the Train for Trade Port Training Programme in Ireland's strategy to promote trade and development, stating that the Train for Trade Programme remains a strategic and relevant response to the growing trade opportunities and development challenges in developing countries. He also reaffirmed Irish Aid's commitment to strengthening the programme. Irish Aid presented the conclusions of their evaluation of the English-speaking network of the PTP, which found the programme to be effective, relevant, efficient and sustainable. Further, UNCTAD's sixth former Secretary-General cited the Train for Trade programme as an example of UNCTAD's ability to develop programmes that turned research into results, and promotes UNCTAD's approach to technical assistance.

563. **French-speaking network.** The French-speaking African members of the Port Training Programme held final dissertation panels and organized new training cycles for its Train for Trade Port Training Programme in Benin, Cameroon, Djibouti and Gabon. Côte d'Ivoire has since become an official member of the network and is currently preparing to launch its first training cycle.

564. The annual Coordination Meeting of the French-speaking network took place in March 2013 in Geneva, Switzerland. The Directors General and Focal Points of the ports of Benin, Cameroon, Djibouti, Gabon, Guinea, Senegal and Togo reviewed the activities of the past year, exchanged best practices and agreed on the way forward. Representatives of the ports of the Congo, Côte d'Ivoire and the Democratic Republic of the Congo took part as observers.

565. A new Memorandum of Understanding was signed in Geneva on 13 December 2013 by the current Secretary-General of UNCTAD and the Director General of Marseilles-Fos Port, in the presence of ambassadors and delegates from the permanent missions of Benin, Cameroon, the Congo, the Comoros, Côte d'Ivoire, the Democratic Republic of the Congo, Djibouti, France, Gabon, Guinea, Haiti, Madagascar, Mauritania, Senegal and Togo.

566. **Spanish-speaking network.** In the framework of the Spanish-speaking network, a Training of Trainers Workshop was held from 13 to 24 May 2013 in Valencia, Spain, in collaboration of the Valencia Port Foundation and the Port Authorities of Valencia and Gijón.

567. The Spanish-speaking network launched the third cycle of the Modern Port Management course in Peru for 24 participants (8 women) and the first cycle in Dominican Republic for 34 participants (8 women). Modules 1 to 4 of the course were delivered by local instructors with the support of UNCTAD and experts from the Port of Valencia and Gijón.

568. A Study tour on port related-matters was organized in Gijón, Spain, from 23 to 27 September 2013 for selected participants who obtained outstanding marks in the final dissertations of the PTP in Guatemala and Peru.

569. Train for Trade's Port Training Programme was presented at the VIII meeting of the Inter-American Committee on Ports of the Organization of American States held in September 2013 in Cartagena, Colombia, and received the support of Latin American and the Caribbean port communities.

570. **Impact/results.** The impact of the activities conducted by the Train for Trade Programme is evaluated at different levels before, during and after the events relating to technical assistance and advisory services. Needs assessments and fact-findings are conducted in close collaboration with the national stakeholders through different

mechanisms that foster national appropriation (for example, national steering committees). During the activities several questionnaires are administered and direct feedback from participants is collected and analysed. After the events other types of benchmarking are used to measure the level of commitment and participation of the stakeholders in the follow up to the recommendations.

571. **Successful replication mechanism in the Port Training Programme.** Many former participants in the Modern Port Management programme have become instructors and therefore take more responsibility at the senior management level. Other good indicators of the impact of the Programme in the field are the validation of the quality of participant's dissertation by international and regional port experts, and the relevance of the dissertations to improve services in the port community.

572. In the framework of the Port Training Programme for English-speaking port communities:

(a) 2014 saw the integration of Nigeria and the Philippines into the PTP English-speaking network.

(b) At the conclusion of the International Coordination meeting, the representatives from UNCTAD, the Government of Ireland, the Irish port partners and member port communities from Africa and Asia reaffirmed their commitment to the programme and agreed to implement a third cycle (2013–2015).

(c) Nineteen current and future instructors were trained by UNCTAD trainers on the Train for Trade teaching methodology, thus improving their ability to deliver training activities in their own port communities and strengthening the local ownership and sustainability of the programme.

(d) The publication on the Port Management Series was completed and the decision was made to turn it into an UNCTAD annual series.

573. In the framework of the Port Training Programme for Spanish-speaking Port Communities: The instructors trained by Train for Trade in the Training of Trainers workshop participated already in the delivery of the modules 1 to 4 of the course on Modern Port Management in the Dominican Republic and Peru which clearly shows a multiplier effect in the capacity building process in the member ports of the programme. It is also important to mention that some participants from previous cycles have now reached higher positions of responsibilities in their port communities.

574. In the framework of the Train for Trade programme on trade, thanks to the successful delivery of the course on biotrade and value chain development, the beneficiary countries have already shown interest in replicating the course to train more people in their countries.

575. In the framework of the Train for Trade programme on ICT and knowledge-sharing:

(a) The Train for Trade programme has enabled OCHA and WFP platforms to train more than 200 staff world-wide.

(b) The UNHCR was able to use the French and English videos developed by Train for Trade to illustrate their competency-based interview regional workshop.

(c) The ninth advisory group meeting defined guidelines for the Section in order to stay on top in terms of e-learning, mobile learning and cloud learning. A publication will be produced from this meeting which tackles the discussions made on the subject.

Figure 3
Train for Trade trainees in 2013

B. Course on key issues on the international economic agenda

576. **Outputs**. The course on key issues on the international economic agenda, or paragraph 166 course, is delivered in two forms: three-week regional courses for economic policymakers, academics and others, and short (half-day) courses for diplomats in Geneva.

577. The curricula of the regional courses, which are adapted to each region, continued to increase knowledge and understanding of contemporary economic issues among trade-policy officials, finance and investment experts and academics involved in trade, investment, finance, technology and development issues. A particular focus was on the development of appropriate trade-finance-investment-innovation policies that help to produce economic gains that in turn meet the development objectives of participating countries. Concepts of developing and implementing policies to attract and embed FDI and ensuring these benefit SMEs through linkages, development of regional and global value chains, and the development of know-how are also built into the curricula. Science and technology issues that impact on the manner and ways that innovation in agriculture, energy and other areas can provide critical value added to products that have domestic and international appeal are also illustrated in the curricula. The importance of logistics to facilitate trade to ensure sustainable exports and imports are highlighted and debated. Trade negotiations, whether at the multilateral, regional or bilateral levels, that directly achieve benefits from trade and investment and that consequently bring development gains remain an essential part of the programme.

578. During the design phase, UNCTAD collaborated with the United Nations regional commissions and national experts to ensure a rich, coherent programme on the various areas mentioned above so as to ensure that the programme focuses on development as its central theme. To illustrate where such economic policies can have an impact on development, the curricula were integrated with detailed case studies and lessons learned from previous policy decisions to promote critical thinking with emphasis being placed squarely on policy design, coherence, coordination, implementation and measurement.

579. In 2013, three regional courses were organized, in Medellín, Colombia, for the Latin American and Caribbean region in February; in Mauritius, Port Luis for Africa July/August; and in Singapore for the Asia–Pacific region in November. A total of 60 policymakers, academics and others attended these courses from 43 countries (including 17 from LDCs and 25 women).

580. Another important milestone was reached at UNCTAD when Mauritius validated the first multi-year venue for the African regional course in 2013. This status, awarded by the Paragraph 166 Advisory Body of UNCTAD, will see Mauritius hosting two additional editions of the programme for the region. Calls for other multi-year venues for the Latin American and the Caribbean and regions with countries with economies in transition were launched in 2013. The University of Belgrade in Serbia was awarded the multi-year venue status and will hold courses from 2014 to 2018. For the Latin American and the Caribbean region the secretariat received proposals from Colombia and Mexico and the multi-year venue will be announced in the first 2014 Advisory Body meeting. Multi-year venues are a key indicator of the support that member States afford the flagship course, apart from raising the predictability of delivery and providing important financial support to the secretariat.

581. The short courses continued to update Geneva-based diplomats on the most recent issues and developments on the international economic agenda. Six such courses were offered in the spring and autumn sessions of 2013, in cooperation with several UNCTAD divisions. A total of 153 delegates, including 68 women, from permanent missions of developing, transition and developed countries and four international organizations participated in these series. Contemporary economic issues continue to be the core of the curricula for these courses, including global income and trade trends; new generation of investment policies fo sustainable development; global capital flows, remittances; new trade reality and multilateralism; investment promotion; including a session on trade logistics, transport, trade facilitation and customs automation.

582. **Key highlights.** The evaluations of the regional courses continue to show that participants and their respective departments appreciate the debates on development thought and the integrated approach of the program to ensure that economic gains benefit development. This is inherent in the design of the curricula which treats development from the multiple perspectives of trade, finance, investment and technology. It particularly highlights that the debates, design and implementation of appropriate economic policies can contribute to growth and the development process in general.

583. Several participants in the Medellín course indicated that the course covered extensively issues of macroeconomic policies and development issues, foreign direct investment, international transportation and trade facilitation, regional and multilateral trading systems and agreements as well as science, technology and innovation policies. More importantly, the challenges affecting the various topics, they said, were underscored with relevant examples from both developing and developed countries, and appropriate policy measures were discussed and outlined. Others mention how the course provided a broad overview of the interests and experiences of other LAC countries, as well as the functioning of economic integration processes in the region. They particularly appreciated that these issues were analysed from a development perspective and are a useful tool to apply in their professional duties. One participant indicated that she was able to have a better understanding of the progress of MERCOSUR and how it´s trade structure and composition could affect her country's performance and economic activity. Another participant indicated that the relevant challenges were clearly identified in various aspects of the economy, from attracting FDI to debt management through to transportation policy to the processes for identifying and applying solutions. They were exposed to ample real world success stories, and through extensive networking were able to share their experiences, develop useful contacts and were impressed that the facilitators were committed to helping them understand how the knowledge may be applied in their functions. One participant indicated that he benefitted immensely from this and in the group presentations and GATS negotiations, which required extensive preparations and collaboration and which gave him a first-hand policy development experience.

584. In the Mauritius programme, there was similar appreciation for the design of the curricula by UNCTAD, regional commission and national experts. For many, the course curricula surpassed expectations, were very helpful and provided overall knowledge on international economic issues and development and that they had learned the difference between trade and what trade can do to advance development. Through this process, many indicated the need to develop a sound macroeconomic framework and to improve the formulation of a trade policy that takes into account specific development objectives in each policy choice and to develop indicators for their evaluation. There is no stand-alone subject but a need to consider all economic parameters such as trade, investment, growth, finance – the interdependence between policies – when it comes to achieving development objectives for their countries. Here, many specifically indicated the importance of policy choices that African countries must make to benefit from FDI and the role it can play in development of Africa; to take advantage of opportunities facing African countries; to address the challenges to low FDI levels and how to develop incentives to attract FDI which must be approached cautiously through political will and a better investment climate. Trade and investment, for many, can go hand in hand. Many also indicated that the curricula was well structured, had practical information and provided a line of thought on the development policies for their countries. It has been an eye opener to the relationship between domestic policies and developing negotiation positions and development. Others appreciated that practical examples of how to approach domestic consultations to address poverty, employment, health, productive capacities, promotion of SMEs, attract quality investments, etc., were highlighted in the curricula. Many praised the course for its uniqueness, appreciated the blend of issues and their implications on trade and development; the good selection of participants who were engaged and willing to share experiences.

585. Finally, in the Singapore edition, there was much appreciation for the course curricula. Several indicated that the techniques and tactics taught were different from other courses; this course brought core issues and challenges by focussing on economic and policy matters and that the course's scope was larger – there was more on trade and development issues including in the context of international trade negotiations and links to development strategies. It is value added as it offered valuable experience through participation in the various exercises, debates and group discussions. Others mentioned the useful experience in policy making as the curricula was precise and practical; it captured the overall economic sectors and their linkages. Several others also mentioned that they had learned much about international and global economic issues, financial issues, macroeconomic policies and development, economic structures in the North and South, the challenging or pressing issues for developing countries and how to identify/develop the right economic policies. Many also indicated they had learnt much about the factors that contribute to economic growth, how to analyse trade and other data. Others indicated lessons learned about the link between trade and development; the importance of FDI and how to use it effectively to link SMEs/development issues; how to improve innovation at the national level; and to enhance trade facilitation and trade logistics; and on developing the right trade policy that support their efforts at the multilateral trading system. Many course participants also indicated enhanced knowledge about achieving real development goals as the course taught how to link development and poverty reduction to economic growth, trade and investment. Others also indicated that they had learned how to tie trade theory to policies from each module; how through engaging more in economic integration they can enhance FDI attraction; design appropriate trade-related development policies to best suit the situation of each country and to take into account the role of technology and financial tools to support trade-related development policies. Many also indicated their appreciation for the Singapore experience as being very useful as they provided a value added to the theoretical issues that were discussed. Several also indicated that they had learnt a lot from the experiences of other countries, through the discussions held in the

various modules that lent to enhance learning about individual country's development. Finally, many indicated that the course has more valued added as the learning was effected through exercises, quizzes, debates on challenging issues and from UNCTAD-Singapore experts particularly from the modules on STI, FDI, trade facilitation and GATS were noted.

586. **Impact and results.** An assessment of the impact of the course was also sourced from the evaluations provided by participants at the end of each regional programme.

587. In the Medellín edition, many participants reported that they were already using the knowledge and tools acquired to improve economic policies. One participant mentioned that the course, when put to effective use, can ultimately create positive developmental changes. An example of this was shared where this participant was asked to prepare an effective national science and technology policy and how the knowledge from the course was instrumental in her leading a team to prepare the policy perspectives where she had to take into account important variables that must be considered in trying to effect certain developmental changes in the areas of science and technology. She was able to use the course's knowledge to understand the current situation at home and abroad and thereafter, built a national policy of relevance to her country's economy. This policy paper was eventually approved by the National Directorate of Governors and taken to the Cabinet for its approval by the Minister for Science and Technology. Others also shared how the course's knowledge has been useful in recent treaty negotiations that they had to attend. Yet others also indicated that one main contributions was the understanding of the importance of preserving policy space to implement their own strategies in terms of own development needs. In the case of trade negotiations, this is a relevant issue for them.

588. Some African policymakers indicated the direct impact the course will have in their daily work and how they will definitely use the information and knowledge in their daily work; some indicated that they will propose to their departments to review the national trade policies of their countries and to undertake consultations before negotiations. Others reflected that they will share the knowledge with colleagues; write research papers on policy issues; several have acquired several research ideas; and yet others in mentioned sharing and teaching the knowledge with public administration, economic major students and others numbering over 200 researchers and 500 PhD students. One participant also indicated that as some presentations had good applications of statistical techniques it will be used to reproduce these for research conference on economic issues either locally or internationally; and one indicated that as a researcher the course will benefit students who are future policy makers. One participant indicated that after the course she participated in very tough trade negotiations amongst 26 African countries that represented the COMESA-SADC-EAC Tripartite Free Trade Negotiations. She had had to ensure that development was incorporated into the industrial, market access and infrastructure pillars of the text. This is where she indicated that she understood the relevance of the course as it provided the missing link, the relationship, or that the lack of coordination (to achieve market access, develop the industrial and infrastructure pillars) during the negotiations and the need to consider development issues as they had learnt in the course.

589. Policymakers from the Singapore course mentioned the adaptation of the course curricula, knowledge and skills in their daily work. Many felt that they would be able to better analyse trade policy issues, how this related to trade and growth and how it could contribute to further policy development. Many also felt the course helped to think about policy coordination between Government and private sectors in implementing macroeconomic and financial reform; develop policies and introduce regulations; redraft foreign trade policy and cooperation policies with trading partners. Others mentioned that this would help them to contribute to bring together all economic sectors under one framework and determine the right economic path, as in one case policymakers were working on a medium-term fiscal framework to develop a trade model that would develop

further trade. One participant involved in the policy making process indicated he will use the knowledge acquired to further development SME policies, negotiating skills, trade remedies, fees and charges. Others mentioned applying the knowledge to WTO issues, especially on compliance issues when negotiating with stakeholders and other WTO members; participate in national trade consultations, seminars, meetings. Others also indicate they will use the knowledge in FDI attraction, SME development and value chains and in the preparation of an action plan for trade negotiations, including trade logistics. One policymaker indicated that the course was an eye-opener on the development perspective of the Asia–Pacific region as it highlighted the underlying reasons on the dynamic transformation that each economy is going through. As such he was already tasked to prepare a trade and investment paper and will focus on how best his country can work towards deepening and broadening its integration with regional economies such as ASEAN, TPP and APEC. On the investment front his paper will describe how best to maximize attracting FDI (since domestic investment has been one of the key drivers in the absence of the former) and how his country can partake as a regular player in the global production chain. Another participant indicated that he will use the knowledge learnt to prepare a policy brief for his Minister who will attend the ninth WTO Ministerial Conference in Bali, Indonesia as to how they can best benefit from the Bali package as an LDC member, especially on the Trade Facilitation Agreement. He is part of the WTO accession team and felt that the lessons learned would boost his confidence as a trade negotiator particularly in services agreements.

XV. Cluster XV: Science, technology and innovation

Lead division: Division for Technology and Logistics

590. The programmes under this cluster seek to support (a) capacity-building in developing countries with regard to the design and implementation of effective national systems of science, technology and innovation, and to support technology transfer and (b) South–South cooperation in science and technology (table 15).

Table 15
Science, technology and innovation

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/7CB	Special trust fund for activities related to the Commission on Science and Technology for Development with regard to WSIS follow-up	2007–	Switzerland
INT/0T/BCW	Improving access to medical products in developing countries through capacity-building for local production and related technology transfer: Phase II	2012-	World Health Organization
ROA-2902 (I8)	Strengthening national capacities to manage policies and frameworks on science, technology and innovation in Asian countries	2013–	United Nations Development Account

Abbreviation: WSIS, World Summit on the Information Society.

A. Science, Technology and Innovation Policy Review

591. **Development context**. The basic assumption that underpins this work is that innovation, particularly innovation based on knowledge, is a key driver of economic growth, structural transformation and sustainable development. Among the capabilities that developing countries need to generate in order to harness science, technology and innovation (STI) for development, sound policy-making frameworks leading to the establishment of effective innovation systems are key. While this is recognized by the governments of many developing countries, designing and implementing national STI strategies and policies presents considerable challenges for many of them. There is a clear need to support a process of STI policy learning, experimentation and good practice dissemination.

592. **Objectives/features of the programme**. The Science, Technology and Innovation Policy (STIP) Review programme provides policy advice to countries requesting assistance in building and maintaining a dynamic and responsive STI framework that can foster technology acquisition and innovation. It aims to ensure that national STI programmes become an instrument for supporting relevant components of the national development agenda, helping local industry compete in a knowledge-based, global economy. The theoretical framework that underpins the STIP Review programme and its implementation methodology are presented in the document entitled "A Framework for Science, Technology and Innovation Policy Reviews".[18]

593. STIP reviews assess the strong and weak points of a country's innovation system from a general perspective and often include an analysis of technology and innovation challenges and opportunities in specific sectors and industries prioritized by the beneficiary country. Thus, key STI issues that affect the competitiveness of industries and sectors can be identified so that local firms can improve their competitiveness. STIP reviews also include recommendations for improvements in legal instruments, policies, measures and practices that can strengthen the country's STI framework. The primary beneficiaries of these projects are thus the major players in the national innovation system such as policymakers (most notably from the ministries of science and technology or similar bodies) the business community, and academic and research institutions.

594. **Outputs of the programme in 2013**. The major outputs of the programme in 2013 concerned the launch of a new round of STIP Reviews in Asian countries, funded through a new Development Account project. Under this project activities were undertaken in Oman and Thailand in 2013. In the case of Oman, two fact-finding missions were conducted and the first draft of the STIP Review Report has been presented to the stakeholders at a national workshop. The group included various government agencies, academic centres and industrial sectors broadly who endorsed the findings of the STIP Report and expressed support for its recommendations. The focus of the report is on two strategic national development objectives, namely: enabling a process of economic diversification to support long-term economic development and ensuring the availability of adequate human resources to accomplish such objective. A final draft reflecting the feedback received has been submitted to the Government and the STIP Report is expected to officially be presented at the seventeenth session of the United Nations Commission on Science and Technology for Development in May 2014.

595. In the case of Thailand, the first fact-finding mission was conducted in October 2013. In this case, the analysis of the STIP Review prioritizes the contribution that innovation can make to national development objectives in the area of agriculture,

[18]UNCTAD/DTL/STICT/2011/7, available at www.unctad.org/en/Docs/dtlstict2011d7_en.pdf.

infrastructure and human resources development. It is expected that the draft findings and recommendations will be presented to national stakeholders in the third quarter of 2014.

596. The current Development Account project for Asian STIP Reviews foresees that a third review will be undertaken before the completion of the project. A number of discussions and exchanges with the Government of Viet Nam took place in 2013 in preparation of the STIP review of the country, which is expected to be launched in the first half of 2014.

597. Based on the experience gained through the STIP programme UNCTAD has continued to provide policy support to other developing countries in this area in activities that were not financed by the project. For example, UNCTAD has undertaken an assessment of the innovation dimension of Myanmar's export development strategy as part of the ICT's project to design a national export development strategy in Myanmar. However, in 2013 UNCTAD was unable to respond to specific requests for STIP reviews from Egypt and Kenya because of a lack of funding. This is in addition to similar situation in earlier years with regard to requests formulated on different occasions by Kazakhstan, Myanmar, Pakistan, Papua New Guinea, Sri Lanka and the Sudan. For the same reason enquiries about the possibility of UNCTAD undertaking Reviews have remained at an exploratory stage in other cases, such as Costa Rica, Ecuador and Nigeria. UNCTAD has also been unable to respond in a timely fashion to the need for follow-up technical assistance following STI Policy Reviews in Ghana and Lesotho, as well as more general technical assistance enquiries regarding support on STI policy from Ethiopia and the United Republic of Tanzania.

598. **Results**. Since the project is still under implementation no results have been observed so far. However in Oman, where work has progressed the most, at the national stakeholder workshop held in December 2013 there were signs that the STIP Review process is already helping crystalize consensus about the need to address several weaknesses of the country's developing innovation system, such as the quality of education and more general human resources issues, the incentives for private sector investment in innovation and the mechanisms for interaction between businesses and academia.

XVI. Cluster XVI: Productive capacities in the least developed countries, landlocked developing countries, small island developing States and structurally weak, vulnerable and small economies

Lead division: Division for Africa, Least Developed Countries and Special Programmes

599. The programmes under this cluster focus on activities that promote economic and productive capacity-building in LDCs, LLDCs, SIDS and other structurally weak, vulnerable and small economies, taking into account the implications of these countries' structural and geographical handicaps with regards to the nature and structure of competitive economic activities and composition of external trade.

Table 16
Productive capacities in landlocked developing countries, small island developing States and structurally weak, vulnerable and small economies

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/77J	Trust Fund for Least Developed Countries: core project	1997–	Multi-donor
ROA-2286 (AT)	Strengthening the capacity of the rural communities in least developed countries to utilize the market access opportunities provided by duty-free quota-free and enhancing value added of their traditional products	2012–	United Nations Development Account

A. Least Developed Countries Trust Fund

600. **Objectives.** Contributions to the LDCs Trust Fund are aimed at strengthening national policymaking capacity and assisting countries in the preparation and implementation of projects and programmes of action. An important tool in this process is the *Least Developed Countries Report*, which is largely produced through regular budget resources, but contributes to the aims of the trust fund. Increasingly, the report is focusing on articulation of concrete policies and measures on key issues identified in the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action). The objective is to provide LDCs with alternative and more relevant policy options and assist them to develop their capacities to implement policies. Therefore, wider dissemination in beneficiary countries of the findings and policy recommendations of the report is essential. Resources available through the LDC Trust Fund have helped to finance the organization of national and regional workshops, report launches and train LDC policymakers.

601. **Activities.** The LDCs Trust Fund financed some of the costs associated with the preparation of the *Least Developed Countries Report 2013*, facilitated the dissemination of the report's findings to LDCs and provided for coaching support to academics in LDCs. Furthermore, the LDC trust fund provided a national policymaker from the United Republic of Tanzania the opportunity to participate in the UNCTAD Public Symposium in June 2013. It also contributed to the participation of a resource person to a trade and poverty reduction meeting in May 2013. The Trust Fund also financed the cost of one month assignment of one professional involved in the Enhanced Integrated Framework (see cluster XVII below).

1. Policy analysis: Knowledge generation relevant for least developed countries

602. Each year, the *Least Developed Countries Report* examines a topic that is of particular relevance to LDCs and presents concrete policy proposals. Moreover, the report contains a chapter on economic trends in LDCs, which enables countries to obtain up-to-date and comparable statistics on an annual basis. The *Least Developed Countries Report 2013: Growth with employment for inclusive and sustainable development*, examined how LDCs can promote growth that generates an adequate number of quality jobs and that enables them to reach what UNCTAD believes are their most urgent and pivotal goals, both now and in the post-2015 development agenda: poverty reduction, inclusive growth and sustainable development. Its findings suggest that the LDCs face a stark demographic challenge, as their collective population – about 60 per cent of which is currently under 25

years of age – is projected to double to 1.7 billion by 2050. Creating employment opportunities is critical because it is the best and most dignified pathway out of poverty.

2. Knowledge dissemination through *Least Developed Countries Report* workshops and launches

603. In order to facilitate knowledge transmission, the Division launches the *Least Developed Countries Report* in as many countries as possible. In 2013, for example, the *Least Developed Countries Report 2013* was launched in 28 countries and discussed throughout the media in LDCs, other developing countries and developed countries. Press conferences, with the participation of a number of government officials, were held to publicize the report. Interest in the report led to 182 press articles in the written press, and various radio and TV interviews as well as blog posts. In most cases, efforts were made to combine press launches with workshops to enable in-depth discussions between policymakers, the private sector, civil society representatives and UNCTAD staff. These workshops have been considered particularly useful in increasing awareness of policy options and they have also enabled the building of networks between national policymakers and researchers and international experts. In 2013, dissemination workshops were hosted in Angola, Ethiopia, Italy (together with the University of Pavia), Mauritius and the Sudan.

3. Trade and development strategy

604. In response to the request received from the Government of the Comoros, UNCTAD prepared, in partnership with government officials, a national trade and development strategy which was launched in Moroni in March 2013. This strategy focuses on achieving food self-sufficiency and improving the country's access to regional and international markets. It also contains specific recommendations on tariff and trade policy, external resource mobilization, reorganization of internal markets, and further development of external financial resources. To maximize impact, the strategy was accompanied by a capacity-building programme that started with a workshop in October 2012 and finished with a macro-, trade- and statistics-related training course organized prior to the launch of the strategy. During the summer, the Council of Ministers approved the strategy, which became a national law.

4. Implementation of the Istanbul Programme of Action

605. UNCTAD is a key agency in the implementation of the Istanbul Programme of Action. In addition to articulating the policy aspects of major issues highlighted in the Programme (for example, through the *Least Developed Countries Report* and a project on indicators of productive capacities), UNCTAD has been assisting some LDCs in preparing and implementing graduation strategies (see section D below).

B. Capacity-building activities for commodity-dependent least developed countries

606. **Activities** In collaboration with the Common Fund for Commodities and the International Coffee Organization, UNCTAD undertook a project, entitled "Economic crises and commodity-dependent LDCs: mapping the exposure to market volatility and building resilience to future crises", financed by the Common Fund for Commodities. The project assisted in undertaking case studies in selected countries: Benin, Burundi, Mali, the United Republic of Tanzania and Zambia from Africa, and Cambodia, the Lao People's Democratic Republic and Nepal in Asia. The objectives of these country studies were: (a) to closely examine the role of commodities and agricultural productivity in contributing to the graduation objective of the Istanbul Programme of Action; (b) to assess the structural

weakness, excessive fragility and vulnerability to shocks of the economies of LDCs; (c) to review and document the challenges arising from volatility of the commodities markets and from the impacts of the recent global economic, financial and food crises on LDCs' prospects to meet internationally agreed goals, including those contained in the Istanbul Programme of Action.

607. **Results.** The project is now fully implemented. It assisted LDCs to participate effectively in major international conferences and summits by helping them to clearly identify and articulate their trade and development interests. The project also delivered a publication titled "Enabling the graduation of LDCs: enhancing the role of commodities and improving agricultural productivity", which was also translated into French for the benefit of Francophone countries. As part of the dissemination efforts the publication, in addition to being made available on the UNCTAD web site, has also been widely distributed to LDCs and their development partners during major meetings in Geneva, New York and at the regional level.

C. Activities related to landlocked developing countries

608. The United Nations Development Account project "Enhancing the capacities of landlocked developing countries to attract FDI for the development and modernization of productive capacities" aims at enhancing the capacities of LLDC governments to attract larger and more diversified FDI inflows for the development and modernization of national productive capacities.

609. Project activities have so far benefited a number of LLDCs, including Bhutan, Burkina Faso, Burundi and Rwanda. Stakeholder workshops held in several LLDCs proved to be highly effective in terms of disseminating best practices, upgrading local capacity and receiving feedback on draft investment guides..

610. In addition, project activities have stimulated in concerned LLDCs a process of self-reflection on appropriate government policies and measures to improve national capacities to attract and promote FDI and have led to a more proactive stance of government officials on FDI issues. The on-the-spot discussions have also assisted national efforts to build up requisite institutional capacities and have familiarized responsible government officials with international best practices and issues at stake. However, the limited absorptive and institutional capacities in some project countries have hampered faster progress in the implementation of the project.

611. The year 2013 was a critical for the project because both the modalities for producing investment guides and the concomitant field activities changed. Until 2013, investment guides were produced as print documents. However, in 2013, the decision was taken to move from paper copies to web-based documents, called investment guides (iGuides).

612. The decision to break with the established tradition and to move to web-based documents was based on several considerations: Contrary to paper copies, any element of iGuides can be easily updated at any time to reflect changes in legislation, infrastructure, costs and taxes or any investment-relevant information. Moreover, iGuides lead to considerable savings in production costs (i.e. not DTP costs, no printing costs, no dissemination/transport costs, etc.).

613. Furthermore, in line with the project's objective to enhance local capacities in the area of investment promotion , iGuides give greater ownership to local investment authorities in all phases of the project, from the inception to the launch and throughout the total lifespan. Local counterparts are closely involved from the start and trained to input

information autonomously, thus turning the iGuides into "living documents", which makes them more relevant to the target audience.

614. The first iGuides were launched in Rwanda,[19] followed by the iGuide for Burundi and the launch of the iGuide preparations for Uganda and Nepal.

D. Activities related to countries faced with the challenge of graduation from least developed country status

615. UNCTAD has been a pioneer in raising awareness of the many implications of graduation from LDC status. Its role in this regard intensified in 2013, with a range of activities for the benefit of three LDCs that meet graduation thresholds (Angola, Tuvalu, Vanuatu), and two others in which the issue of graduation has been much debated (Cambodia, the Lao People's Democratic Republic).

616. The Division provided advisory services to Angola through a sensitization and capacity-building workshop held in Luanda, at the request of the Government of Angola, from 30 July to 1 August 2013. This event was an opportunity, for UNCTAD, to highlight the paramount relationship between structural progress and graduation from LDC status, thereby sensitizing Angolan authorities to the importance of using the country's prosperity to trigger and fuel structural transformation and, by doing so, to make graduation from LDC status the result of genuine structural progress. The implications of a foreseen exit of Angola in 2018 were discussed extensively during the workshop.

617. Though less advanced on the road to graduation from LDC status, Cambodia and the Lao People's Democratic Republic have already demonstrated significant progress under the LDC criteria, and there are exit prospects for both countries within the next decade. In October 2013, the Division organized, in Cambodia, a national workshop for senior officials on graduation prospects and policy implications. The event was particularly timely, given Cambodia's efforts to retain the most concessionary forms of preferential market access, notably to resist the hardening of rules of origin.

E. Activities related to small island developing States

618. Technical cooperation activities in favour of SIDS, in 2013, mainly benefited Cabo Verde, Samoa and Vanuatu.

619. UNCTAD continued to support Cabo Verdean authorities in their efforts to fulfil the long-standing goal of structural transformation through economic diversification, particularly with reference to international tourism and its link to cultural activities as well as offshore services.

620. Samoa's graduation from LDC status was decided by the United Nations in 2007, and reiterated with a revised time frame in 2010. The country's exit took place on 1 January 2014. During the period 2011-2013, Samoa benefitted of a three-year pre-graduation grace period which allowed national authorities to pave the way for a smooth transition to the country's post-LDC development phase. As it did in the past for Cabo Verde and Maldives, UNCTAD provided, at Samoa's request, assistance to the Government of Samoa to elaborate a smooth transition strategy. This involved identifying ways of preventing any change of treatment that could harm the country, after graduation, in its efforts to maintain the momentum of economic progress.

[19] See http://www.theiguides.org/public-docs/guides/rwanda.

621. Following the July 2012 decision by the Economic and Social Council to endorse the Committee for Development Policy's recommendation to graduate Vanuatu, the General Assembly in turn endorsed this recommendation on 4 December 2013 while granting the country an additional preparatory period of one year before the start of the three-year standard grace period that precedes graduation. UNCTAD, which has a 17-year history of cooperation with Vanuatu on the question of graduation from LDC status, assisted government officials on the matter throughout 2013, notably to enable national authorities to have a forward-looking approach to the subject. UNCTAD will provide Vanuatu with assistance in designing a smooth transition strategy.

XVII. Cluster XVII: Strengthening support for trade mainstreaming into national development plans and/or poverty reduction strategy papers in least developed countries in the context of the Enhanced Integrated Framework

Lead division: Division for Africa, Least Developed Countries and Special Programmes

622. UNCTAD's assistance under this cluster proactively focuses on tailored support for LDCs' efforts in the formulation of a trade policy framework as a basis for identifying and sequencing trade priorities. This assistance aims at capacity-building for in-country implementation of the Enhanced Integrated Framework (EIF) (projects detailed in table 17).

Table 17
Strengthening support for trade mainstreaming into national development

Project number	*Short title*	*Period covered*	*Source of fund*
CMB/0T/BBI	Rules of origin: operational procedures and training	2012–	World Bank
COI/0T/BCJ	Elaboration de la Politique Commerciale de l'Union des Comores	2012–	UNDP
DJI/0T/CBL	EIF-Project Update of the Diagnostic Trade Integration Study for Djibouti	2013-	UNOPs
GAM/0T/BCA	EIF-Project updating the DTIS for the Gambia	2012–	United Nations Office for Project Services
MLI/0T/CBN	EIF-Project Mali Diagnostic Trade Integration Study Update	2013-	UNOPs
MOZ/0T/BDH	Update of the DTIS for Mozambique	2012-	UNOPs
INT/0T/3BY[a]	LDCs: Pre- and Post-Diagnostic Trade Integration Study (DTIS) Capacity-Building	2004-2013	Multi-donor
INT/0T/4AY	Integration of LDCs, landlocked and island countries in the global economy	2004–2013	Multi-donors

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/AAK	Market access and trade laws for LDCs	2010-	Italy
INT/0T/ABI	Economic crises and commodity-dependent LDCs: mapping the exposure to market volatility and building resilience to future crises	2010–	Common Fund For Commodities
INT/0T/BCV	EIF-Project update of the diagnostic trade integration study of Senegal	2012–	United Nations Office for Project Services
ROA-2906 (M8)	Strengthening the capacities of trade and planning ministries of selected LDCs to developing and implementing trade strategies that are conductive for poverty reduction	2013-	Development Account

[a] Operationally but not financially completed or fully completed in 2013.

A. Enhanced Integrated Framework

623. In 2013, UNCTAD continued to participate in activities in the organization and implementation of the EIF. (As stated earlier, some of the costs incurred in EIF-related activities were covered by the LDCs Trust Fund.)

624. The Doha Mandate recognizes that the EIF is a key mechanism for the provision of trade-related technical assistance to the LDCs and calls on UNCTAD to intensify and strengthen its contribution to it. In this context, UNCTAD continues to actively participate in the EIF Board by contributing to the LDC-friendly operationalization of the EIF. In addition, UNCTAD assists the LDCs both in terms of capacity-building for the ownership of the EIF through its DTIS updating process and by providing trade policy and strategy advisory services. Since the majority of LDCs have now completed a diagnostic trade integration study (DTIS), particular attention was given on the DTIS updating process.

625. UNCTAD has completed the update of the Diagnostic Trade Integration Studies (DTIS) of the Gambia (January 2013) and Senegal (July 2013). The latter was completed in the record time of nine months. A DTIS validation workshop was organized in Dakar on July 2013. As a follow up to the finalization of these DTIS, UNCTAD is supporting the Governments of the Gambia and of Senegal in their implementation phase of the policies and strategies identified. In this regard, UNCTAD is also providing assistance in the formulation of Tier 2 project documents, which result from the analysis and action matrix of the DTIS.

626. In the course of 2013, UNCTAD has started to update the DTIS of Djibouti, Mali and Mozambique. These DTIS and all subsequent EIF projects form the basis of a country's policies and action plans. Several advisory missions have been carried out. Two workshops have been organized in Mozambique: to discuss the terms of reference of the DTIS updating in February 2013, and to validate the concept note in September 2013. In full collaboration with the national counterparts, particular attention was paid to the need to conduct a deeper analysis of the mechanisms of trade and investment policymaking.

627. In March 2013, the Trade Development Strategy of the Comoros was launched during a validation and a training seminar. The training was organized to enhance the local capacities in statistics and key macroeconomic and trade concepts and models.

B. Trade mainstreaming project

628. In addition to the above-mentioned activities under the EIF, the activities under the UNCTAD trade mainstreaming project continued in 2013. UNCTAD, in collaboration with Trade Mark Southern Africa, has developed a comprehensive series of negotiating modules to train negotiators of the tripartite free trade area on drafting free trade agreements; tariffs; rules of origin; anti-dumping; subsidies; safeguards and dispute settlement. UNCTAD and Trademark have jointly organized training-of-trainers workshops in June 2013 as well as national workshops.

629. In 2013, this collaboration resulted in six sessions in which 150 trade negotiators from 22 Tripartite countries were trained on tariff liberalization, rules of origin and drafting free trade agreements. In addition, a number of briefings and advisory memoranda were prepared in 2013 as well as a project for a training based on the above-mentioned training modules.

630. Since 2006, UNCTAD has been assisting the LDC in their implementation of the quota-free negotiations and related rules of origin. This capacity-building activity was carried out through briefings and technical meetings. In particular a series of briefings were carried out during 2013 on the technical aspects of the LDC proposal on rules of origin. Various drafts were prepared in consultation with the LDC coordinator and consultation meetings were organized with the LDC WTO group. In this regard, a WTO ministerial decision on preferential rules of origin was included in the Bali negotiated package.

631. In November 2013, the Division organized an expert group meeting for the Least Developed Countries on the preparation for the WTO Bali Ministerial Conference whose goal was to offer a platform where the LDCs, experts and participants could meet to share views, concerns, and reinforce the LDC joint proposal in the run up to the ninth World Trade Organization (WTO) Ministerial Conference of 3–6 December 2013 to be held in Bali, Indonesia. The LDC coordinator thanked the Division for such activity and requested follow up assistance to accompany the LDCs in the post Bali process.

632. UNCTAD has provided policy advice and capacity building to Cambodia on how to adjust to the changes on rules origin following the policy changes introduced in the EU regime. In the course of 2013, three workshops on rules of origin have been carried out on the general system of preferences (GSP) and ASEAN FTAs in the Phnom Penh and provinces. Two working sessions with Government of Cambodia officials on drafting non-preferential rules of origin for Cambodia have been held and a working session has been carried out to clarify some specific problems related to some certificates of origin. This policy advice has been discussed further during a meeting entitled "Global value chains and rules of origin: Opportunities and challenges for Cambodia", which was held in Geneva on 8 July. The main topic of the meeting was the pending changes regarding rules of origin for exports to Canada and the European Union (EU). Existing preferential trade rules have enabled Cambodia to enter new value chains and to diversify its export strategy from garments to higher-skill export products, especially bicycles. The panel, which consisted of government and private-sector representatives, explored the impact that GSP graduation would have on Cambodia's trade benefits as a least developed country. As a result of the Panel, Cambodia submitted a request for derogation to the current rules of origin, which is currently under consideration by the European Union.

633. In 2013, UNCTAD continued to provide policy advice and technical assistance on rules of origin for a better utilization of trade preferences granted by preference giving countries, especially the EU preferences granted under the Everything but Arms Initiative. Such assistance focused on exploiting the trading opportunities offered by the reform of rules of origin implemented by the EU.

C. Trade Strategy Project for Poverty Reduction

634. UNCTAD is implementing a United Nations Development Account-funded project "Strengthening of capacities of trade and planning ministries of selected least developed countries, to develop and implement trade strategies that are conducive to poverty reduction" (2012–2015). The objective of the project is to increase the capacity of trade and planning ministries of participating LDCs to jointly assess trade options and fully understand the implications of trade strategies and policies conducive to poverty reduction.

635. Six LDCs are expected to benefit from the project: Ethiopia, Kiribati, the Lao People's Democratic Republic, Lesotho, Myanmar and Senegal. In full partnership with the government of Ethiopia, UNCTAD organized a national workshop on Mainstreaming Trade into National Development Strategies in Ethiopia. The project is designed to assist the country to use trade as an instrument to boost development by enhancing coherence between trade policies and development strategies. The workshop, which took place in October 2013, brought together over 60 participants including senior officials from these ministries and other relevant stakeholders, i.e. civil society, the private sector and representatives from other national institutions.

636. UNCTAD also organized a workshop for mainstreaming trade into national development strategies, which took place in December 2013 in Maseru, Lesotho. It provided a forum for a national consultative process to translate trade-related objectives in concrete technical assistant. In particular, it helped to identify how the trade capacity needs, as outlined in the various diagnostic studies and capacity assessments could be implemented.

D. Market access and trade laws for least developed countries to enhance the value of traditional products

637. UNCTAD is implementing a project on "Market access and trade laws for LDCs" financed by Italy (a multi-year project that started in 2010) and a United Nations Development Account-funded project titled "Strengthening the capacity of the rural communities in LDCs to enhance the value-added of their traditional products". The objective of these projects is to assist Governments and private sectors in LDCs to take advantage of market access opportunities and to assist rural communities and LDCs governments to enhance the value of traditional products through the exploitation of newly-created trading opportunities like Geographical Indications, and facilitation of compliance with sanitary and phytosanitary (SPS) requirements as well as the insertion of these actions in national development plans to reduce poverty.

638. In 2013 advisory missions were conducted in Mauritania and Senegal to assess the potential of processed fishery products by rural communities, especially women. Furthermore, advisory missions have been undertaken to Senegal and the Gambia as follow up the respective DTIS action matrixes where priorities, included in their action matrices, pointed to the development of certain products of rural communities. Advisory missions were conducted to develop EIF Tier 2 project proposals for the juice fruits produced by the women of the Casamance region in Senegal and fishery products in the Gambia.

639. In Bhutan a workshop has been organized on market access opportunity for Bhutanese products in April 2013 and a follow up mission has been undertaken in November 2013 to devise a strategy for the branding of these products in the domestic and export markets. The branding strategy will shortly be presented to the Government for comments and eventual adoption, including a proposal for Tier 2 financing.

640. In Mozambique, a strategic report has been prepared for the registration of the Sofala prawns following geographical indication rules. In October 2013 two national capacity-building workshops have been organized with artisanal fishermen and different Government departments in Maputo and Beira. Synergies have been identified and developed with FAO, IFAD and Slow Food actions to ensure the sustainability and coordination of the activities carried out by the project with those already undergoing in these respective institutions. A publication on the lessons learned from geographical indications is currently underway.

XVIII. Cluster XVIII: Executive direction and management and support services

Lead entities: Office of the Secretary-General, Technical Cooperation Service and Resources Management Service

641. Activities under this cluster include support services projects from which all divisions benefit, as well as projects under the direct responsibility of the Office of the Secretary-General. Trust Fund projects in support of activities for cooperation and outreach with civil society and for activities carried out in the areas of gender and trade are also included in this cluster (table 18).

Table 18
Executive direction and management and support services

Project number	*Short title*	*Period covered*	*Source of fund*
ANG/0T/BAM	Enhancing Capacities of the Republic of Angola to mainstream Gender in Trade Policy	2011-	Angola
LAO/0T/BAJ	Enhancing sustainable tourism, clean production and export capacity in the Lao People's Democratic Republic	2011–	United Nations Office for Project Services
INT/0T/0BU	Support to UNCTAD technical cooperation	2000-	Belgium
GLO/0T/8CG	Support to Avian Influenza and Food Crisis Coordination Office	2008–	UNDP
INT/0T/1AK	Financing of participation of experts from developing countries and countries with economies in transition in UNCTAD expert groups	2001–	Finland, Iceland, Mauritius
INT/0T/4BS	Strengthening results-based management of UNCTAD programmes	2004–	Norway

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/5BN	Panel of eminent persons	2005–	Multi-donor
INT/0T/AAO	Civil society participation in the UNCTAD activities	2011-	Multi-donor
RAF/0T/CAR	Promoting Regional Supply Chains in sub-Saharan Africa	2013-	African Export Import Bank
ROA-2244 (Q7)	Enhancing capacities of developing countries to mainstream gender into trade policy	2010–	United Nations Development Account
ROA-2246 (S7)	Integration of the trade dimension into the United Nations Development Assistance Frameworks	2010–	United Nations Development Account
ROA-2685 (AV)	Enhancing national ownership of trade-related assistance in United Nations country-level development plans	2012–	United Nations Development Account
INT/10/X53	Gender and trade	2010-	Norway
UND12–340	Interregional advisory services	Ongoing	Regular programme of technical cooperation

A. Strengthening results-based management of UNCTAD programmes

642. In 2013, this trust fund continued to support the work of the Evaluation and Monitoring Unit aimed at strengthening accountability and lessons learning of the secretariat, hence contributing towards UNCTAD's results-based approach. This has been pursued through three project components:

(a) The annual in-depth evaluation of an UNCTAD programme of work, which through independent and expert advice, and through interactions with stakeholders during the evaluation process, have contributed to the reorientation of the programmes for enhanced impact and effectiveness;

(b) The publication of a result-oriented annual report of UNCTAD;

(c) UNCTAD's participation in inter-agency initiatives on evaluation, in particular, through active membership in the United Nation Evaluation Group's (UNEG) work to harmonise evaluation standards and strengthen methodologies, such as on impact evaluation, and on evaluation of normative work.

643. In 2013, the trust fund enabled delivery of the external evaluation of the work undertaken by subprogramme 1, which was considered by the Working Party at its sixty-fifth session in 2013. The evaluation contributed to lessons learning and accountability through clearly providing assessments of performance against the programme plans that member States consider and approve each biennium, and is thus consistent with RBM principles. Some of the main observations of the evaluation team include: (a) on relevance,

the evaluation finds that the subprogramme has played its role as a think tank on globalization and development for the United Nations system. Its messages have worked their way through the United Nations intergovernmental processes on economic and social development, but their ultimate impact on globalization policies is uncertain; (b) on efficiency, the evaluation observes that the subprogramme has exploited synergies between the three pillars of its work. However, synergies across divisional and organizational boundaries need further improvement; (c) on effectiveness, the multiple activities and products of the subprogramme were generally of high quality and are appreciated by member States, but the subprogramme was not always able to reach out effectively to its constituencies. On the basis of its observations, the evaluation team presented the following recommendations: (a) enhance the results-based management framework of the subprogramme; (b) establish an integrated UNCTAD research agenda around development-centred globalization; (c) rebalance TDR in research focus to have two parts: (i) monitoring trends and issues in the global economic environment; (ii) comparative analysis of the influence of trade and interrelated issues on sustainable development from a developing country perspective; and (d) promote increased capacity-building for development-centred globalization within the United Nations development pillar. In its management response, the secretariat accepted recommendations (a) and (d) and partially accepted recommendations (b) and (c).

644. At the conclusion of the Working Party, member States expressed their appreciation to the independent evaluation team for the evaluation report; emphasized the importance of the independent evaluation process in UNCTAD in contributing to sharing of information, learning and improvement of programme effectiveness and accountability; and agreed that the regional coordinators would further discuss the conclusions and recommendations in order to provide guidance to the secretariat at the sixty-sixth session of the Working Party on the actions to be taken subsequently. Based on the outcomes of the sixty-sixth session of the Working Party, the secretariat will report back on measures taken towards enhancing its implementation of the subprogramme at the sixty-eighth session of the Working Party.

645. The trust fund also supported delivery of the *UNCTAD Annual Report 2013*. The results-oriented UNCTAD annual report has been contributing towards enhanced and effective communication about UNCTAD and its work, in accordance with paragraph 187 of the Accra Accord, and the communications strategy adopted by the Trade and Development Board in 2009. Consistent with the RBM principle that continuous feedback will enable improved performance and accountability, the report always contains an annex that informs on UNCTAD's performance against its logical framework, which is considered by member States when they are reviewing UNCTAD's proposed biennial programme plan for the following biennium. The *UNCTAD Annual Report* has consistently received positive feedback from readers since it adopted this results-oriented approach in 2006. In the 2012 readership survey of UNCTAD's main publications, the report received an average rating of 4.3 out of 5.

646. Finally, in 2013, the trust fund enabled UNCTAD's participation in UNEG discussions on ensuring system-wide coherence on evaluations, and on how system-wide evaluations should be conducted. Based on the discussions, UNEG agreed on its strategy for the period 2014–2019, which is aimed at four objectives: (a) evaluation functions and products of United Nations entities meet the UNEG Norms and Standards for evaluation; (b) United Nations entities and partners use evaluation in support of accountability and programme learning; (c) evaluation informs United Nations system-wide initiatives and emerging demands; and (d) UNEG benefits from and contributes to an enhanced global evaluation profession. Activities to be undertaken in support of these activities will feed into efforts by UNCTAD to strengthen its evaluation function.

647. The outcomes of these activities include contributing to strengthening results-based management in the secretariat through (a) improving accountability through enabling delivery of performance reports such as the *UNCTAD Annual Report* and evaluation reports; and (b) allowing UNCTAD stakeholders to use learning and knowledge generated from monitoring and evaluation activities to enable continuous improvement of UNCTAD's performance.

1. Organization and participation of the Cluster at the United Nations system level and other events

648. On November 2013, the Cluster organized a discussion forum in Geneva called "Why Trade Matters in Development Strategies". The United Nations Inter-Agency Cluster, with the participation of UNCTAD, FAO, ILO, ITC, UNDP and UNEP, organized a discussion forum on why trade matters in development strategies in Geneva in November 2013. Apart from Geneva delegates, NGOs, academia and the private sector, the forum's main targets were government officials that had already participated in earlier regional workshops or courses organized within the framework of a Development Account project on Integrating the Trade Dimension in United Nations Development Assistance Frameworks, managed by UNCTAD.

649. In 2013, two regional workshops on the trade dimension in United Nations Development Assistance Frameworks were organized in Beirut (15–17 April 2013), and in La Antigua, Guatemala (20–23 May 2013). The Beirut workshop was carried out in cooperation with ESCWA, FAO and ILO. Government representatives from Egypt, Iraq, Jordan, Lebanon, Morocco, Oman, South Sudan, Sudan, Tunisia, Yemen and the State of Palestine attended. The workshop in La Antigua was jointly run by the Government of Guatemala, UNCTAD, ECLAC and ILO. Government representatives from Costa Rica, El Salvador, Guatemala, Nicaragua and Panama took part.

650. National sessions of these training workshops were also organized in 2011, 2012 and 2013.

651. Within the Cluster, UNCTAD and UNITAR developed an online course on the trade dimension in UNDAFs. In 2012, some 130 representatives of Governments, non-governmental organizations, universities and related institutions signed up for the first course. Two more online courses, one in English and one in French, were held in late 2013.

B. Advisory services

652. As reported in previous years, UNCTAD technical cooperation is supported not only by project-specific funds but also from section 22 of the United Nations programme budget.

653. Under this budget, UNCTAD received, for 2013, an allotment for general temporary assistance, together with travel, and individual fellowship funds. These resources were devoted to five main areas: (a) globalization and development; (b) issues related to international trade in goods and services, and commodities; (c) investment, enterprise development and technology; (d) services infrastructure for development and trade efficiency; and (e) LDCs – interregional advisers undertook two missions in 2013.